



Q1/2021

Oma Savings Bank Group
Interim Report 31 March 2021



Interim Report 31 March 2021 is a translation
of the original Finnish version "Osavuositikatsaus 31.3.2021".
If discrepancies occur, the Finnish version is dominant.

Oma Savings Bank Group's interim report January-March 2021


- Net interest income continued to increase strongly 16.1% in January-March compared to the same period last year.
- The home mortgage portfolio increased by 4.3% in the early part of the year. Over the previous 12 months, the home mortgage portfolio grew 20%. At the same time, the corporate loan portfolio increased by 17.4%.
- Deposit stocks grew by 1.6% during the first quarter. The previous 12 months had an increase of 19.1%.
- The 'Fee and commission income and expenses (net)' item increased by 17.7% in the early part of the year over the comparative period.
- Impairment losses on financial assets were EUR 2.8 (8.5) million in January-March. Impairment losses on financial assets are highlighted by the additional loss allowance based on management's judgement due to prolongation of the corona pandemic. During the first quarter, the company increased its additional loss allowance based on management's judgement by EUR 1.5 million as the corona pandemic continues to last.
- The cost/income ratio for the first quarter was 49.9 (47.5)%. The comparable cost/income ratio improved to 52.4 (58.2)%.
- The profit before taxes for the first quarter increased significantly compared to the previous financial year and was EUR 11.7 (7.2) million.
- The comparable profit before taxes for the first quarter increased significantly compared with the comparative period and was EUR 10.0 (1.7) million.

Outlook for 2021 (unchanged)

The company estimates that profitable growth will continue to be strong despite overall economic uncertainty and the Group's 2021 profit before taxes and comparable profit before taxes will grow compared to the previous

accounting period. More about the outlook in the interim report on page 20.

The Group's key figures (1,000 euros)	1-3/2021	1-3/2020	Δ%	1-12/2020
Net interest income	17,999	15,505	16%	67,819
Fee and commission income and expenses, net	7,902	6,714	18%	29,257
Total operating expenses	-14,412	-14,233	1%	-51,676
Impairment losses on financial assets, net	-2,791	-8,531	-67%	-21,587
Profit before taxes	11,672	7,222	62%	37,707
Cost/income ratio, %	49.9%	47.5%	5%	46.6%
Balance sheet total	4,459,307	3,526,023	26%	4,381,999
Equity	353,859	317,519	11%	353,493
Return on assets (ROA) %	0.8%	0.7%	19%	0.8%
Return on equity (ROE) %	10.5%	7.4%	41%	9.1%
Earnings per share (EPS), EUR	0.32	0.20	59%	1.04
Common Equity Tier 1 (CET1) capital ratio %	15.0%	16.6%	-10%	15.9%
Comparable profit before taxes	10,043	1,690	494%	26,729
Comparable cost/income ratio, %	52.4%	58.2%	-10%	51.2%
Comparable return on equity (ROE) %	9.0%	1.8%	399%	6.5%



**Fee and
commission income
+ 18%**

CEO's review

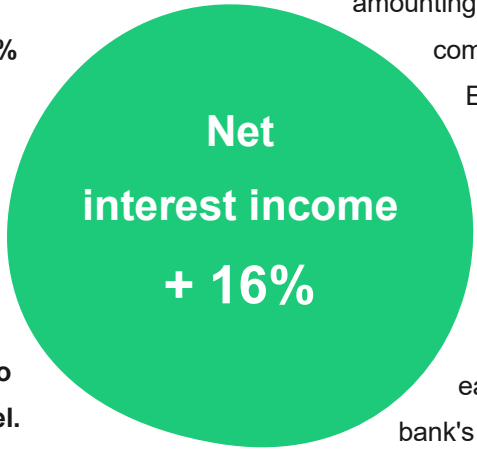
Strong earnings from the beginning of the year

The bank's result for the beginning of the year was excellent. Our main source of income, net interest income and fee and commission income (net), continued to grow strongly. During the beginning of the year, our net interest income increased by 16% and fee and commission income (net) by 18% compared to the previous year. At the same time, operating expenses remained well under control and the cost/income ratio at an excellent level of 49.9%. Return on equity (ROE%) rose to 10.5%, exceeding the target level.

The quality of the loan portfolio is at a good level. We are closely monitoring the financial impact of the corona pandemic and we increased the loss allowance based on management's judgement by EUR 1.5 million during the beginning of the year.

The allowance is now nearly EUR 6 million and is fully available.

The profit before taxes for January-March increased by 62% compared to the comparison period, amounting to EUR 11.7 million. The comparable profit before taxes was EUR 10 million.



**Net
interest income
+ 16%**

Dividends have increased eightfold in six years

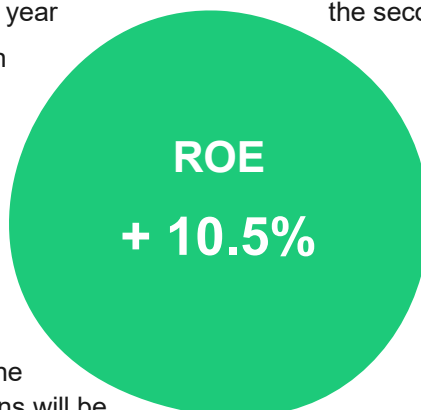
The great performance of the business and strong growth in earnings are directly reflected in the bank's dividend payment ability. During the first quarter, we paid dividends for the 2019 financial year within the authorities' profit-sharing restrictions. In March, the Annual General Meeting decided to pay a record dividend of EUR 0.30 per share, as proposed by the Board. The dividend to be paid includes a dividend of EUR 0.24 per share for

the financial year 2020 and an additional dividend of EUR 0.06 per share for the financial year 2019. The dividend will be paid upon completion of the profit-sharing restrictions.

The financial year continues from an excellent starting point

Merger negotiations proceeds with the Eurajoen Savings Bank, and decisions will be

made in the governing bodies of both banks during the second quarter.



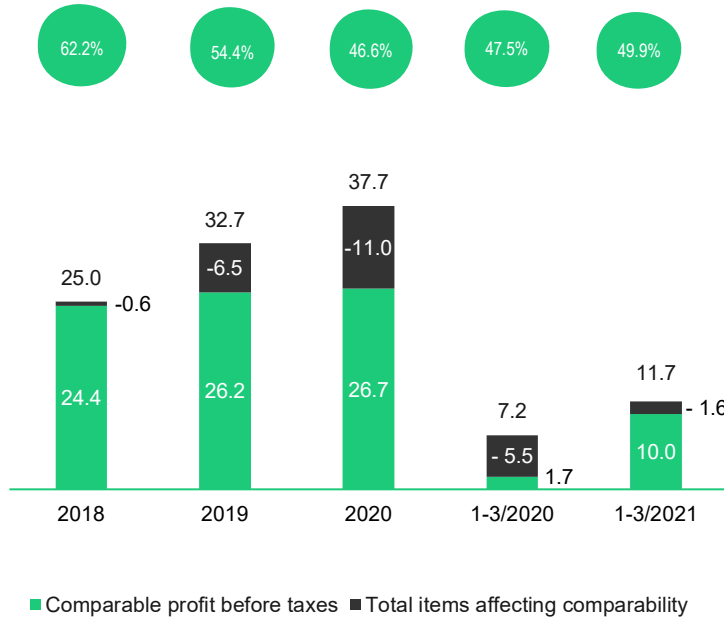
The bank's financial position is strong, and we expect the rapid growth of the business to continue even in the current financial year.

Pasi Sydänlammi
CEO

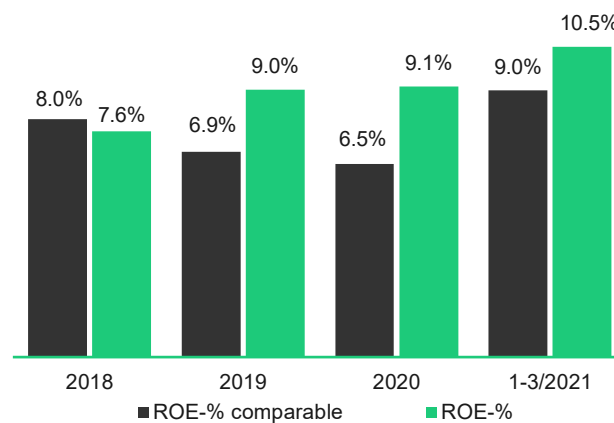
A profitably growing Finnish bank

Profit before taxes, EUR mill.

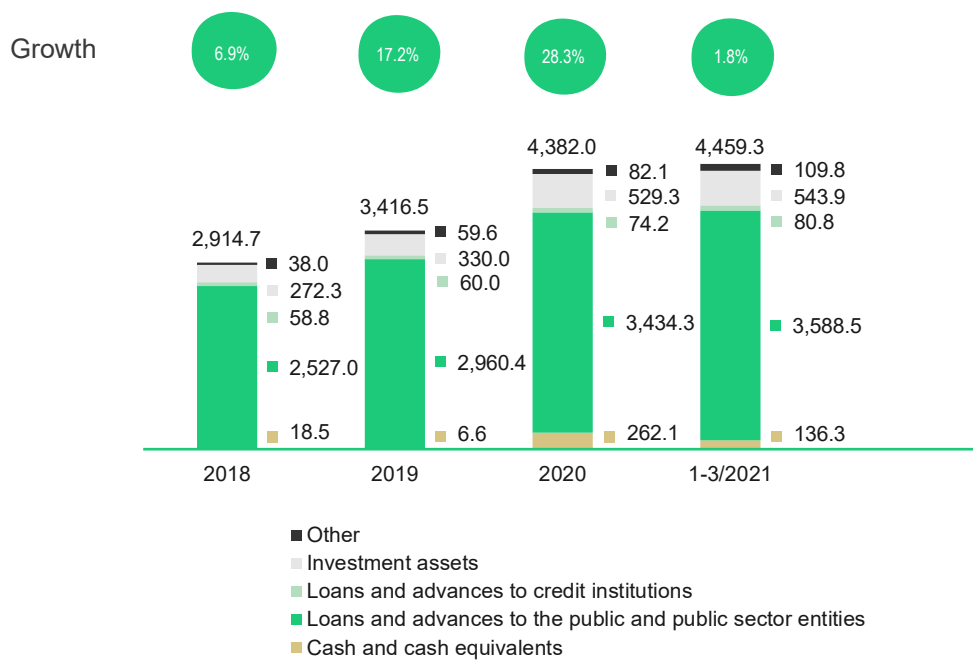
Cost/income
ratio



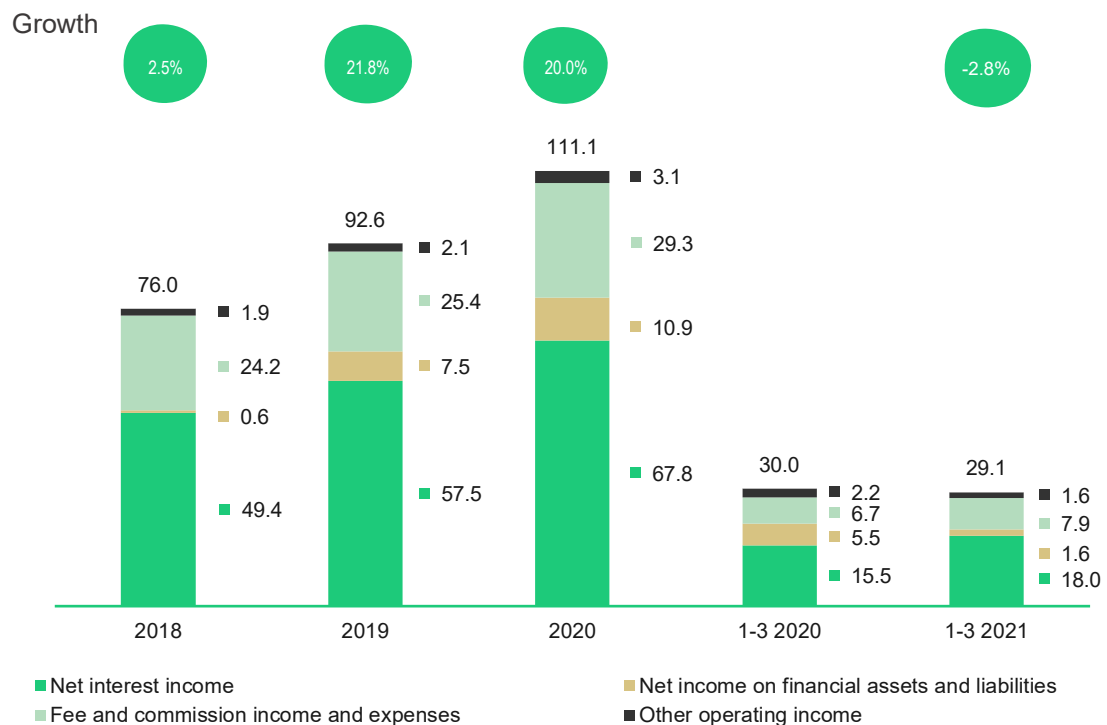
Return on equity (ROE) %



Balance sheet total, EUR mill.



Total operating income, EUR mill.



Significant events during the period

- In January, the company's Board of Directors decided to distribute a dividend for the financial year 2019. In its decision-making, the Board of Directors took into account the recommendations of the authorities profit-sharing restrictions and decided to distribute a dividend of EUR 0.13 per share entitling to dividend for the 2019 financial year. A total of EUR 3.8 million was paid in dividends for the financial year 2019. Due to the profit-sharing restrictions, the dividend to be distributed fell short of the authorisation of the 2020 AGM, which was EUR 0.19 per share. The Board announced that it will take this into account in its forthcoming profit distribution proposals.
- In January 2021, Standard & Poor's changed the outlook for Oma Savings Bank's long-term credit rating from negative to stable with the update of the BICRA (Banking Industry Country Risk Assessment) category.
- In year 2020, the company agreed with the Savings Bank Group on a share transaction in which the company sold all its shares of Nooa Savings Bank Ltd, Sb Life Insurance Ltd, Sb-Fund Management Company Ltd, Säästöpankkien Holding Oy and Central Bank of Savings Banks Finland Plc to Savings Bank Group. The deal included 73,414pc of Nooa Savings Bank Ltd shares, of which 4,840 shares were subject to ECB approval. Regulatory approval was obtained, and the transaction was completed in January 2021.
- The company's AGM was held on 30 March 2021 with exceptional arrangements due to corona pandemic. The resolutions of the AGM can be read on page 17 of this interim report. At the AGM, Aila Hemminki, Aki Jaskari, Timo Kokkala, Jyrki Mäkynen, Jarmo Salmi and Jaana Sandström were re-elected as members of the Board. Jarmo Partanen was elected as a new member of the Board. The AGM authorised the Board to decide on the share issue, the transfer of own shares and the repurchase of own shares.
- The company launched new mobile payment services for its customers with the introduction of Apple Pay in March. The development of new digital services is part of the company's ongoing investments in developing the customer experience.
- The company's extensive management and expert training programme, OmaSp Master, was completed during the first quarter. The degree programme was carried out in cooperation with the University of Tampere and 10 people graduated from it.

Oma Savings Bank Group's key figures

(1,000 euros)	1-3/2021	1-3/2020	Δ %	1-12/2020	2020 Q4	2020 Q3	2020 Q2
Net interest income	17,999	15,505	16%	67,819	18,890	17,539	15,886
Total operating income	29,142	29,978	-3%	111,073	31,084	26,386	23,625
Total operating expenses	-14,412	-14,233	1%	-51,676	-12,758	-11,394	-13,291
¹⁾ Cost/income ratio, %	49.9%	47.5%	5%	46.6%	41.3%	43.2 %	56.2%
Impairment losses on financial assets, net	-2,791	-8,531	-67%	-21,587	-7,602	-1,531	-3,922
Profit before taxes	11,672	7,222	62%	37,707	10,541	13,488	6,457
Profit/loss for the accounting period	9,241	5,860	58%	30,653	9,027	10,523	5,244
Balance sheet total	4,459,307	3,526,023	26%	4,381,999	4,381,999	3,952,766	3,838,097
Equity	353,859	317,519	11%	353,493	353,493	343,208	329,789
¹⁾ Return on assets (ROA) %	0.8%	0.7%	19%	0.8%	0.9%	1.1%	0.6%
¹⁾ Return on equity (ROE) %	10.5%	7.4%	41%	9.1%	10.4%	12.5%	6.5%
¹⁾ Earnings per share (EPS), EUR	0.32	0.20	59%	1.04	0.31	0.36	0.18
¹⁾ Equity ratio %	7.9%	9.0%	-12%	8.1%	8.1%	8.7%	8.6%
¹⁾ Total capital (TC) ratio %	15.3%	17.1%	-11%	16.2%	16.2%	16.8%	16.8%
¹⁾ Common Equity Tier 1 (CET1) capital ratio %	15.0%	16.6%	-10%	15.9%	15.9%	16.5%	16.4%
¹⁾ Tier 1 (T1) capital ratio %	15.0%	16.6%	-10%	15.9%	15.9%	16.5%	16.4%
¹⁾ Liquidity coverage ratio (LCR) %	139.4%	79.7%	75%	184.9%	184.9%	134.0%	132.6%
Average number of employees	299	280	7%	299	300	306	308
Employees at the end of the period	301	289	4%	298	298	296	320
Alternative performance measures excluding items affecting comparability:							
¹⁾ Comparable profit before taxes	10,043	1,690	494%	26,729	6,910	10,853	7,276
¹⁾ Comparable cost/income ratio, %	52.4%	58.2%	-10%	51.2%	46.5%	48.0%	52.8%
¹⁾ Comparable earnings per share (EPS), EUR	0.26	0.05	428%	0.73	0.28	0.20	0.05
¹⁾ Comparable return on equity (ROE) %	9.0%	1.8%	399%	6.5%	7.0%	10.0%	7.3%

1) The calculation principles of the key figures are presented in note 15 of the interim report. Comparable profit is presented in the income statement.

Operating environment

The recovery of the Finnish economy from the corona crisis seems to be accelerating from better-than-expected development towards the end of 2020. Although the pandemic situation has deteriorated in the early part of the year, the economic growth rate estimated in March is faster than estimated in December 2020. Finland's GDP growth is forecasted to accelerate during the latter part of 2021, supported by private consumption, and to remain strong in 2022 as investments gradually increase. Thereafter, growth is forecasted to flatline near to long-term growth rates. The Bank of Finland forecasts that GDP will be 2.6% in 2021 and 2.7% in 2022. ⁽¹⁾

According to Statistics Finland's labour survey, there were 6,000 fewer employed persons and 35,000 more unemployed in February than in the previous year's comparative period. In February 2021, the employment rate trend was 70.0% (15-64 years old) and the average unemployment rate was 8.1%. ⁽²⁾

The consumer confidence indicator (CCI) decreased in March compared to the beginning of the year. The consumer confidence indicator was the strongest in more than two years in January-February. The confidence indicator consists of four factors, which are an estimate of the own economy now, expectations of their own economy and the Finnish economy in 12 months, and the intentions of spending on durable goods in the next 12 months. In March, only the estimate of the current state of consumers' own finances strengthened compared to the previous month. ⁽³⁾

According to Statistics Finland's preliminary data, prices of old dwellings in housing companies rose by 3.4 per cent in February 2021 compared to February 2020 in Greater Helsinki and fell by 0.9 per cent in the rest of the country. The number of deals made through real estate agents in

February increased by 18 per cent compared with February 2020. ⁽⁴⁾ In the company's view, the business environment in Finland is so far stable in terms of household indebtedness and housing prices, but uncertainty has grown due to the prolongation of the corona pandemic.

In February 2021, total number of loans to households had increased by 3.5% over the previous 12 months, of which the mortgage loan portfolio growth was 3.6%. The volume of corporate loans increased 5.4% in the same period. The volume of households' deposits grew a total of 9.1% over a 12-month period. ⁽⁵⁾

The number of bankruptcies filed in January-March 2021 was 88 fewer than in the previous year, a decrease of 11.2% compared to the previous year. The number of personnel in the companies filing for bankruptcy came to 4,143, i.e. 20.8% more than in the corresponding period in 2020. ⁽⁶⁾ The number of new building permits granted decreased by 13.4% compared with the previous year and was 7.2 million cubic meters. ⁽⁷⁾ The decline in the number of granted building permits has not impacted the company's operations.

1) Bank of Finland, FINNISH ECONOMIC FORECAST - MARCH 2021. Published on 19 March 2021.

2) Statistics Finland, Fewer employed and more unemployed than a year ago. Published on 30 March 2021.

3) Statistics Finland, Consumer confidence weakened slightly - strong confidence in one's own economy. Published on 29 March 2021.

4) Statistics Finland, Prices of old condominiums rose 3.4 per cent in February in the metropolitan area. Published on 30 March 2021.

5) Bank of Finland, MFI balance sheet (loans and deposits) and interest rates HOUSEHOLD DEPOSITS ARE GROWING FAST. Published on 31 March 2021.

6) Statistics Finland, In January-March 2021, the number of bankruptcies decreased by 11 per cent from the previous year. Published on 21 April 2021.

7) Statistics Finland, Cubic volume of granted building permits issued lower than a year earlier. Published on 23 March 2021.

Impacts of the corona pandemic on business

The company has closely monitored the development of the corona pandemic situation and made the necessary changes to its operating models. The guidelines and recommendations of the government and other authorities have been applied to customer service and to the personnel's work. The precautionary measures undertaken are intended to secure well-being of personnel and customers and guarantee safe banking. In customer service, remote banking opportunities and guidance for customers have been increased. Customers have been served throughout the pandemic, both in branches and through digital channels during extensive opening hours.

Due to the corona pandemic, customer requests for grace periods grew significantly in spring 2020, but demand returned within a few months to previous levels. The main part of the grace periods granted has already expired as customers continue to service loans under normal shortening plans.

During 2020, the company made two additional credit loss allowances based on management's judgement, totalling EUR 4.4 million, which predicted growth in credit risk in specific sectors. The sectors were selected based on both their significance and the estimated size of the pandemic's impact. Due to the continuing uncertainty with the pandemic, the company increased its loss allowance based on management's judgement by EUR 1.5 million in the first quarter of 2021. Allowances have been made in connection with the corona pandemic for a total of EUR 5.9 million. The allowances anticipate the effects of the prolongation of the corona pandemic on Oma Savings Bank's loan portfolio and seeks to cover potential credit losses to the extent that the expected credit loss calculation model does not recognize them. The company continues to evaluate the situation on a monthly basis. The company continues monitoring the situation monthly.

The impacts of the corona pandemic are described in more detail in note 2.

Credit rating and liquidity

Standard & Poor's confirmed a credit rating of BBB+ for Oma Savings Bank's long-term borrowing in September 2020, as well as a rating of A-2 for short-term borrowing.

In January 2021, Standard & Poor's changed the outlook for Oma Savings Bank's long-term credit rating from negative to stable with the update of the BICRA (Banking Industry Country Risk Assessment) rating.

	31 Mar 2021	31 Dec 2020
LCR	139.4%	184.9%
NSFR*	119.8%	125.5%

*As of 30 September 2020, the requirements in accordance with CRR2 regulation have been taken into account for the calculation of the NSFR key figures and the calculation principles have been corrected as of 31 March 2021. The figure for the comparative period has been changed retroactively.

The Group's liquidity coverage ratio (LCR) remained at a good level of 139.4% at the end of the first quarter of 2021.

In the second half of 2020, markets have recovered closer to pre-corona pandemic levels, although uncertainty can be still observed. The market for certificates of deposit has also partially recovered from the initial uncertainty of the corona pandemic but continues to perform weekly due to the current situation. As a whole, the deposit stock has grown over the course of 2021 keeping the loan-deposit ratio stable.

Related party disclosures

Related party is defined as key persons in a leading position at Oma Savings Bank Plc and their family members, subsidiaries, associated companies and joint ventures, joint operations and companies in which a key person in a leading position has control or significant influence, and organisations that have significant influence in Oma Savings Bank Plc. Key persons are members of the Board of Directors, the CEO and deputy to the CEO and the rest of the management team.

Loans and guarantees have been granted with conditions that are applied to similar loans and guarantees granted to customers.

More detailed information on related parties is given in note G32 of the 2020 financial statements. More detailed information on the share-based remuneration scheme for the management is given in note G33 of the financial statements. No significant changes have occurred in related party transactions after 31 December 2020.

Financial statements

The corresponding period last year has been used as the year under comparison in income statement items, and the date 31 December 2020 as the comparative period for the balance sheet and capital adequacy.

Result 1–3 / 2021

The Group's profit before taxes for the first quarter was EUR 11.7 (7.2) million and the profit for the period was EUR 9.2 (5.9) million. The cost/income ratio was 49.9 (47.5)%.

Comparable profit before taxes in the first quarter amounted to EUR 10.0 (1.7) million and the comparable cost/income ratio was 52.4 (58.2)%. The comparable profit has been adjusted for the net income on financial assets and liabilities.

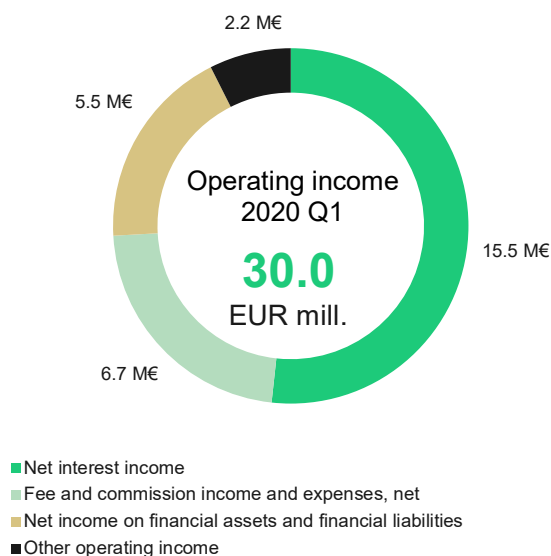
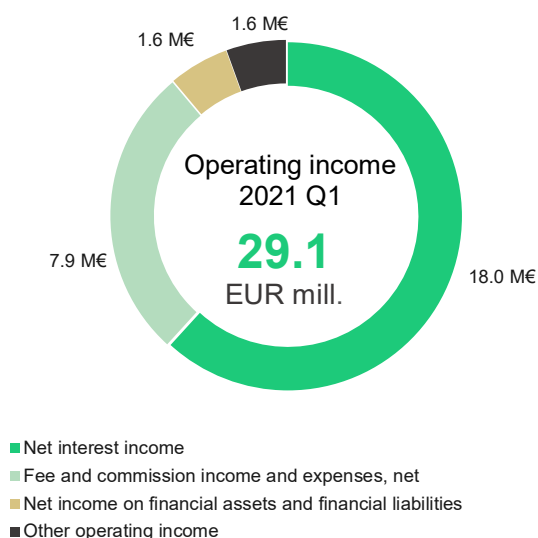
Income

Total operating income was EUR 29.1 (30.0) million. Total operating income decreased -2.8% year-on-year. In the comparison period, total operating income was increased by EUR 8.0 million recorded in net income on financial assets and liabilities as a gain on the sale of the portfolio.

Net interest income grew EUR 16.1%, totalling EUR 18.0 (15.5) million. During the review period, interest income grew 14.3%, totalling EUR 19.3 (16.8) million. The growth in interest income is largely explained by the increase in the loan stock of EUR 590.7 million as of 31 March 2020. During the year, the average margin of the company's loan stock has remained almost unchanged, rising by 0.01 percentage points.

Interest expenses remained at the same level as a year ago, being in the first quarter EUR 1.3 (1.3) million. The average interest on deposits paid to the company's customers was 0.01% (0.02%) at the end of the review period.

Fee and commission income and expenses (net) grew by 17.7% to EUR 7.9 (6.7) million. The total amount of fee and commission income was EUR 9.1 (7.6) million.



The commissions from card payments and payment transactions increased 19.9%. The increase is the result of higher customer volumes and the change in the actuarial processing of payment card business fee and commission income in the second quarter of 2020. Fee and commission expenses (net) on cards and payment transactions grew 12.4%. The amount of commission income on lending was EUR 2.8 (2.3) million.

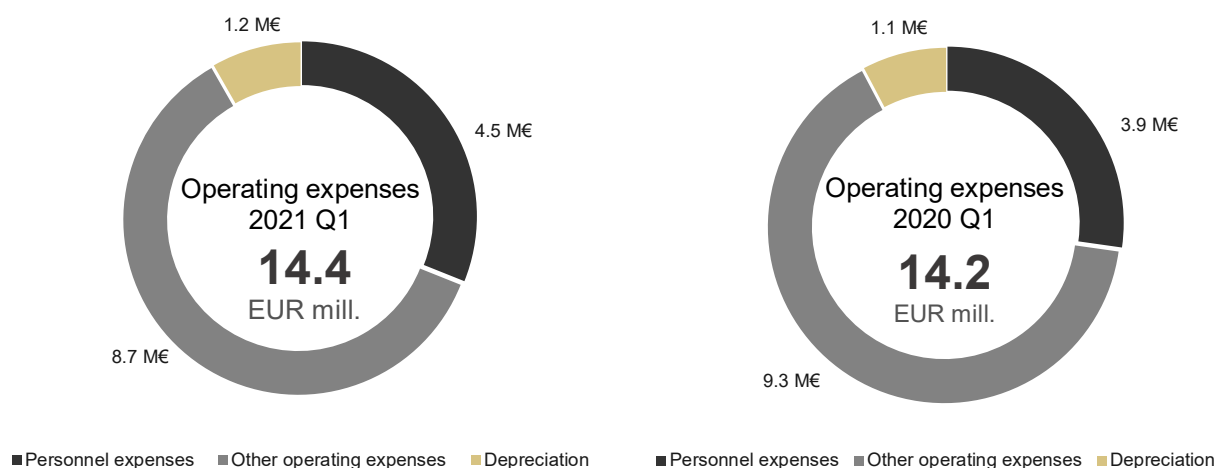
The net income on financial assets and liabilities was EUR 1.6 (5.5) million during the period. In February 2020, the risks of the investment portfolio were eased, which was reflected in return of EUR 8 million in financial assets in the comparative period. Other operating income was EUR 1.6 (2.2) million.

Expenses

Operating expenses increased 1.3% compared to the previous year's corresponding period. Operating expenses came to a total of EUR 14.4 (14.2) million. Personnel expenses increased 15.5%, totalling EUR 4.5 (3.9) million. For the first quarter, the current year amortisations of performance bonuses have been recorded. During the comparative period, no corresponding items were included in personnel expenses. The number of employees at the end of the period was 301 (289), of which 35 (34) were fixed-term.

Other operating expenses decreased 5.5% to EUR 8.7 (9.3) million. The item includes office, IT, PR and marketing costs and those stemming from the business premises in own use.

Depreciation, amortisation and impairments on tangible and intangible assets were EUR 1.2 (1.1) million.



Impairment losses on financial assets

During the first quarter, impairment losses on financial assets (net) were EUR 2.8 (8.5) million. In the comparative period, the impairment losses on financial assets were highlighted by the provision for individual customer insolvency as well as the additional loss allowance based on management's judgement for the corona pandemic.

The net impact of final credit losses during January-March was EUR 0.5 (0.9) million. Credit losses recorded during the period are mostly targeted at corporate customers.

During the first quarter, the provision for expected credit losses increased by EUR 2.3 (7.6) million. Of the increase in expected credit losses, EUR 1.8 million was allocated to receivables from customers and off-balance sheet items. An increase of 0.5 million EUR was allocated to the investment portfolio.

Due to the continuing uncertainty with the corona pandemic, the company's management decided to increase the additional loss allowance based on management's judgement for a total of EUR 1.5 million in the first quarter. In total, the company has additional loss allowances of EUR 5.9 million available related to the corona pandemic. With the additional loss allowances the company is prepared for the increase in credit risks of individual customers and the consequences of corona pandemic. A total of EUR 3.0 million of the additional loss allowance has been allocated to corporate customers and EUR 2.9 million to private customers. Additional allowances made are targeted to stage 2.

A new definition of insolvency came into force on 1 January 2021. The additional loss allowance of EUR 1.4 million recorded during the commissioning phase has been reversed EUR 0.5 million in January-March. The additional allowance applies to the liabilities of private customers in stage 3.

Balance sheet

The Group's balance sheet total grew during January-March 2021 by 1.8% to EUR 4,459.3 (4,382.0) million.

Loans and other receivables

In total, loans and other receivables grew 4.6% to EUR 3,669.3 (3,508.5) million in January-March.

The average size of loans issued over the past 12 months has been approximately EUR 116 thousand.

Loan portfolio by customer group, before the expected credit losses

Credit balance (1,000 euros)	31 Mar 2021	31 Dec 2020	31 Mar 2020
Private customers	2,155,751	2,074,984	1,830,930
Business customers	761,635	742,629	648,938
Housing associations	345,491	321,913	290,652
Agriculture, forestry, fishing industry	269,026	268,141	264,206
Other	84,247	52,507	40,765
Total	3,616,150	3,460,174	3,075,490

Investment assets

The Group's investment assets grew 2.8% during the period, totalling EUR 543.9 (529.3) million. The growth was made up of investments made in the liquidity portfolio. The primary purpose of managing investment assets is securing the company's liquidity position.

Liabilities to credit institutions and to the public and public sector entities

Liabilities to credit institutions and to the public and public sector entities grew during the period by 1.5% to EUR 2,638.7 (2,600.3) million.

The item consists mostly of deposits received from the public, which came to EUR 2,414.5 (2,376.7) million at the end of March. Liabilities to the credit institutions grew during the period, from EUR 223.5 million to EUR 224.1 million.

Debt securities issued to the public

Total debt securities issued to the public grew during the period by 1.6% to EUR 1,368.5 (1,346.8) million. The increase was driven by an increase in the number of investment certificates. The debt securities issued to the public are shown in more detail in note 8.

Covered bonds are secured by loans to the value of EUR 1,500.1 (1,500.1) million.

Equity

The Group's equity EUR 353.9 (353.5) remained almost unchanged during the period. The change during January-March was 0.1%. The growth mainly results from the profit for reviewing period, the payment of dividends at the beginning of the year and the decrease in the value of the fair value reserve. The fair value reserve decreased by EUR 5.2 million during the period as a result of changes in market prices.

Own shares

On 31 March 2021 the number of own shares held by Oma Savings Bank was 11,700. All purchases took place during 2018 and concerned shares subscribed in connection with the 2017 personnel offering. The redemptions took place in connection with the ending of employment contracts.

Share capital	31 Mar 2021	31 Dec 2020
Average number of shares (excluding own shares)	29,585,000	29,585,000
Number of shares at the end of the year (excluding own shares)	29,585,000	29,585,000
Number of own shares	11,700	11,700
Share capital (1,000 euros)	24,000	24,000

Off-balance-sheet commitments

Off-balance-sheet commitments included commitments given to a third party on behalf of a customer and irrevocable commitments given to a customer. Commitments given to a third party on behalf of a customer, EUR 27.2 (26.1) million, were mostly made up of bank guarantees and other guarantees. Irrevocable commitments given to a customer, which totalled EUR 320.2 (263.7) million at the end of March, consisted mainly of undrawn credit facilities.

Resolutions of the Annual General Meeting

Oma Savings Bank Plc's AGM was held in Helsinki on 30 March 2021 by exceptional meeting procedure based on the temporary legislative act (677/2020) approved by the Finnish Parliament to limit spread of corona pandemic. The AGM confirmed the company's financial statements and consolidated financial statements for the 2020 financial year, granted discharge to the members of the company's Board of Directors and CEO from liability, and decided to approve the company's remuneration report.

In accordance with the Board's proposal, the AGM decided to authorise the Board to decide on the payment of a dividend of up to EUR 0.24 per share for the financial year 2020 and in respect of dividends not paid in 2019 due to the authority's profit-sharing restrictions an additional payment of a dividend of up to EUR 0.06 on each share entitling to a dividend for 2020. Dividends will be paid upon completion of the authority's profit-sharing restrictions. The authorisation granted is valid until the AGM of 2022. In addition, the Board of Directors was authorised to decide the record date and date of payment for possible dividend, which the company will inform separately.

In accordance with the Board's proposal, the AGM decided to remove the restriction on the age of the Board member and amend Section 4 of the company's Articles of Association to include the following:

- The company has a board of directors comprising five (5) to eight (8) actual members and up to two (2) deputies. The term of the Board of Directors shall expire at the close of the Annual General Meeting following the election in the first place. The Board of Directors elects a Chairman from among its midst and one (1) to two (2) Vice-Chairmen. A quorum for a Board meeting is when more than half of the Board members are present. The Board of Directors represents the bank and manages its operations in accordance with the law and these Articles of Association.

In accordance with the proposal of the Shareholders' Nomination Committee, the AGM decided to keep the remuneration of Board members unchanged and the members shall be paid the following annual remuneration for the period ending at the AGM in 2022: EUR 50,000 per year to the Chairman, EUR 37,500 per year to the Vice Chairman and for other members EUR 25,000 per year. In addition, the meeting fees of EUR 1,000 for each Board meeting and EUR 500 for each single-issue email meeting and committee meeting will be paid.

A condition for obtaining and paying a fixed annual fee is that the Board Member commits to purchase Oma Savings Bank Plc shares amounting to 40% of the fixed annual remuneration on the regulated market (Nasdaq Helsinki Ltd) at a price determined by trading. The recommendation is that a member of the Board of Directors shall not transfer the shares awarded as annual remuneration until the membership in the Board has expired.

The number of members of the Board of Directors was confirmed to be seven for a term ending at the end of the 2022 AGM. Aila Hemminki, Aki Jaskari, Timo Kokkala, Jyrki Mäkynen, Jarmo Salmi and Jaana Sandström were re-elected as Board members and Jarmo Partanen was elected as a new member.

KPMG Oy Ab, a firm of authorised public accountants, was elected to continue as auditor and M.Sc (Econ.), APA Fredrik Westerholm as responsible auditor for a term ending at the 2022 AGM. The auditor's remuneration is paid against an invoice approved by the company.

The AGM decided, in accordance with the Board of Directors' proposal, to authorise the Board of Directors to resolve on the issuance of shares or transfer of the company's shares and the issuance of special rights entitled to shares as referred to in Chapter 10, Section 1 of the Finnish Companies Act, subject to the following conditions:

- Shares and special rights can be issued or disposed of in one or more instalments, either in return for payment or free of charge.
- The total number of shares to be issued under the authorisation, including shares acquired on the basis of special rights, cannot exceed 5,000,000 shares, which corresponds to approximately 17 per cent of the company's total shares on the day of the AGM.

The Board of Directors decides on all terms and conditions related to the issuance of shares. The authorisation concerns both the issuance of new shares and the transfer of own shares. The authorisation is valid until the end of the next AGM, but not later than June 30, 2022 and revokes previous authorisations given by the AGM to decide on a share issue, as well as the option rights and the issuance of special rights entitling to shares.

The AGM decided, in accordance with the Board of Directors' proposal, to authorise the Board of Directors to decide on the repurchase of the company's own shares with funds belonging to the company's free equity under the following conditions:

- Maximum number of 500,000 own shares may be repurchased, representing approximately 1.7% of the company's total shares according to the situation on the date of the notice of the meeting, however, that the number of own shares held by the company does not exceed 10% of the company's total shares of the company at any time. This amount includes the own shares held by the company itself and its subsidiaries within the meaning of Chapter 15, Section 11 (1) of the Finnish Companies Act.

The Board of Directors is authorised to decide how to acquire own shares. The authorisation is valid until the closing of the next AGM, but not later than June 30, 2022.

Progress of the core banking platform project and other key IT projects

In early 2019, Oma Savings Bank started up a modernisation project involving the core banking platform. The new core banking platform is based on Temenos technology and is supplied by Oy Samlink Ab. The delivery of the core banking platform will cost Oma Savings Bank about EUR 20 million and at the end of March, the capitalized investment cost for the project came altogether EUR 4.5 million. The company is still expecting the project schedule to be specified.

The project to develop functions to prevent money laundering and terrorist financing is progressing according to plan. In addition, the company has an ongoing project related to the development of data warehousing and data analytics solutions.

SAV-Rahoitus Oyj

The Nasdaq Helsinki Disciplinary Board has imposed a disciplinary fee of EUR 10,000 on SAV-Rahoitus Oyj, a member of the Oma Savings Bank Group, on 31 March 2021 regarding the notice schedule for the Annual General Meeting, resolutions of the Annual General Meeting and the half-year financial report. SAV-Rahoitus Oyj has taken the necessary measures to ensure proper operation.

Significant events after the period

In April 2021, the company announced the progress of merger negotiations with the Eurajoen Savings Bank. In November 2020, Oma Savings Bank Plc (OmaSp) started negotiations to merge Eurajoen and Mietoinen Savings Banks into Oma Savings Bank. Negotiations proceeds with Eurajoen Savings Bank and decisions on unification will be made by the governing bodies of both banks during Q2. The merger negotiations with Mietoinen Savings Bank have come to an end. When completed, the business

transfers would increase the balance sheet of Oma Savings Bank by approximately EUR 300 million and increase the number of private and corporate customers by about 12,000. The combined profit before taxes of the banks was approximately EUR 40 million for 2020, of which OmaSp accounts for approximately EUR 38 million.

At the AGM on 30 March 2021, Aila Hemminki, Aki Jaskari, Timo Kokkala, Jyrki Mäkynen, Jarmo Salmi, Jaana Sandström and Jarmo Partanen were elected as members of the Board. On 22 April 2021, the Board organizing meeting elected Jarmo Salmi to continue as Chairman of the Board and Jyrki Mäkynen as Vice-Chairman. The Board of Directors decided to carry out the tasks of the Audit Committee. The Board of Directors appointed one permanent committee, the Remuneration Committee. Jarmo Salmi, Jyrki Mäkynen and Aila Hemminki were confirmed as members of the Remuneration Committee.

Other events following the end of the reporting period that would require the presentation of additional information or that would materially affect the company's financial position are unknown.

Financial goals

Oma Savings Bank's Board of Directors has approved the following financial goals: 15

Growth: 10-15% annual growth in total operating income under the current market conditions.

Profitability: Cost/income ratio less than 55%.

Return on equity (ROE): Long-term return on equity (ROE) over 10%.

Capital adequacy: Common Equity Tier 1 (CET1) capital ratio at least 14%.

Financial reporting in 2021

The company will publish financial information in 2021 as follows:

2 August 2021 Interim Report January-June 2021

1 November 2021 Interim Report January-September 2021.

Outlook for the 2021 accounting period (unchanged)

The company's business volumes will continue strong growth FY2021 despite exceptionally uncertain economic environment. The company's profitable growth is supported by efforts in recent years to improve the customer experience and the availability of customer service through new digital service channels and opening of new units.

Oma Savings Bank provides earnings guidance on the profit before taxes as well as comparable profit before taxes. A verbal description is used to make a comparison with the comparative period. Earnings guidance is based on the forecast for the entire year, which takes into account the current market and business situation. Forecasts are based on the management's insight into the Group's business development.

The company estimates that profitable growth will continue to be strong despite overall economic uncertainty and the Group's 2021 profit before taxes and comparable profit before taxes will grow compared to the previous accounting period.

Capital adequacy

The total capital ratio (TC) ratio of the Oma Savings Bank Group remained strong and was 15.3 (16.2)% at the end of the period. The Common Equity Tier 1 capital (CET1) ratio was 15.0 (15.9)% exceeding the minimum level for the financial goals approved by the Board of Directors (14%). Risk-weighted assets grew 6.1% to EUR 2,162.2 (2,037.4) million. Risk-weighted assets grew most significantly due to the growth in the loan portfolio for corporate and private customers. The capital requirement for credit risk is calculated using standardized approach and for operational risk using the basic indicator approach. The basic method is applied when calculating the capital requirement for market risk for the foreign exchange position. At the end of the review period, the capital structure of Oma Savings Bank Group was strong and consisted mostly of Common Equity Tier 1 capital (CET1).

The Group's own funds (TC) of EUR 330.7 (330.3) million exceeded by EUR 71.2 million the total capital requirement for own funds EUR 259.5 (244.6) million. Own funds were most significantly increased by retained earnings for the financial year 2021, which have been included in the Common Equity Tier 1 capital with the permission granted by the Finnish Financial Supervisory Authority (FIN-FSA). The decrease in the fair value reserve during the review period reduced most significantly own funds. Tier 1 capital (T1) was EUR 325.2 (324.0) million, consisting entirely of Common Equity Tier 1 capital (CET1). Tier 2 capital (T2) was EUR 5.5 (6.3) million, consisting of debenture loans. The leverage ratio was 7.1 (7.3)% at the end of the period.

The main items in the capital adequacy calculation (1,000 euros)	31 Mar 2021	31 Dec 2020	31 Mar 2020
Common Equity Tier 1 capital before regulatory adjustments	338,424	336,252	305,987
Regulatory adjustments on Common Equity Tier 1	-13,195	-12,243	-10,371
Common Equity Tier 1 (CET1) capital, total	325,229	324,009	295,616
Additional Tier 1 capital before regulatory adjustments	-	-	-
Regulatory adjustments on additional Tier 1 capital	-	-	-
Additional Tier 1 (AT1) capital, total	-	-	-
Tier 1 capital (T1 = CET1 + AT1), total	325,229	324,009	295,616
Tier 2 capital before regulatory adjustments	5,520	6,260	8,519
Regulatory adjustments on Tier 2 capital	-	-	-
Tier 2 (T2) capital, total	5,520	6,260	8,519
Total capital (TC = T1 + T2) / Total own funds	330,749	330,268	304,134
Risk-weighted assets			
Credit and counterparty risk, standardised approach	1,978,632	1,854,561	1,618,642
Credit valuation adjustment risk (CVA)	2,764	2,329	10,714
Market risk (foreign exchange risk)	8,270	7,986	-
Operational risk, basic indicator approach	172,536	172,536	147,320
Risk-weighted assets, total	2,162,202	2,037,412	1,776,675
Common Equity Tier 1 (CET1) capital ratio, %	15.04%	15.90%	16.64%
Tier 1 (T1) capital ratio, %	15.04%	15.90%	16.64%
Total capital (TC) ratio, %	15.30%	16.21%	17.12%
Leverage ratio (1,000 euros)	31 Mar 2021	31 Dec 2020	31 Mar 2020
Tier 1 capital	325,229	324,009	295,616
Total amount of exposures	4,560,548	4,466,075	3,593,534
Leverage ratio	7.13%	7.25%	8.23%

The total capital requirement for banks' own funds consists of the Pillar I minimum capital requirement (8.0%) and various buffer requirements. Buffer requirements include, inter alia, the capital conservation buffer set by the Credit Institution Act (2.5%), the discretionary SREP requirement according to Pillar II, the countercyclical buffer requirement, and the systematic risk buffer.

In December 2019, the Finnish Financial Supervisory Authority (FIN-FSA) imposed on Oma Savings Bank Plc the first supervisory review and evaluation process (SREP) requirement of 1.5% based on the supervisory authority's assessment. The requirement entered into

force starting on 30 June 2020 and is valid until further notice, however not later than 30 June 2023. The requirement shall be covered by the Common Equity tier 1 capital. FIN-FSA decides on the countercyclical buffer requirement quarterly, and a countercyclical buffer requirement has thus far not been imposed on Finnish credit institutions. As the corona pandemic significantly weakens the global economic cyclical outlook and the operating conditions of the financial sector, FIN-FSA decided on 6 April 2020 on the removal of the systematic risk buffer requirement for all credit institutions. The decision became effective immediately.

Group's total capital requirement

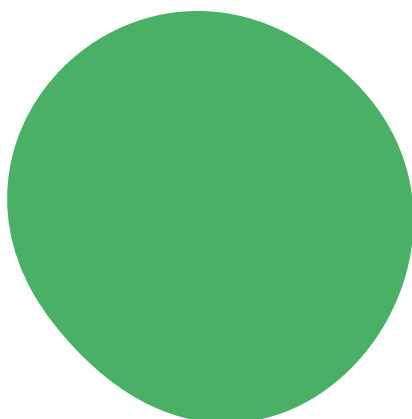
31 Mar 2021
(1,000 euros)

Buffer requirements

Capital	Pillar I minimum capital requirement*	Pillar II (SREP) capital requirement	Capital conservation buffer	Countercyclical buffer**	O-SII	Systemic risk buffer	Total capital requirement	
CET1	4.50%	1.50%	2.50%	0.00%	0.00%	0.00%	8.50%	183,872
AT1	1.50%						1.50%	32,433
T2	2.00%						2.00%	43,244
Total	8.00%	1.50%	2.50%	0.00%	0.00%	0.00%	12.00%	259,549

* AT1 and T2 capital requirements are possible to fill with CET1 capital

**Taking into account the geographical distribution of the Group's exposures



The Group will publish information on capital adequacy and risk management compliant with Pillar III in its Capital and Risk Management Report. The document will be released as a separate report in connection with the Annual Report and it provides a more detailed description of Oma Savings Bank Group's capital adequacy and risk position. The substantial information in accordance with Pillar II will be published as a separate report alongside the Half-Year Financial Report.

Interim Report Tables

Consolidated condensed income statement

Note	(1,000 euros)	1-3/2021	1-3/2020	1-12/2020
	Interest income	19,255	16,848	72,813
	Interest expenses	-1,255	-1,343	-4,993
9	Net interest income	17,999	15,505	67,819
	Fee and commission income	9,099	7,562	34,248
	Fee and commission expenses	-1,197	-848	-4,991
10	Fee and commission income and expenses, net	7,902	6,714	29,257
11	Net income on financial assets and financial liabilities	1,628	5,532	10,866
	Other operating income	1,612	2,227	3,130
	Total operating income	29,142	29,978	111,073
	Personnel expenses	-4,476	-3,876	-16,866
	Other operating expenses	-8,745	-9,258	-29,598
	Depreciation, amortisations and impairment losses on tangible and intangible assets	-1,191	-1,099	-5,213
	Total operating expenses	-14,412	-14,233	-51,676
12	Impairment losses on financial assets, net	-2,791	-8,531	-21,587
	Share of profit of equity accounted entities	-268	7	-103
	Profit before taxes	11,672	7,222	37,707
	Income taxes	-2,431	-1,362	-7,054
	Profit for the accounting period	9,241	5,860	30,653
	Of which:			
	Shareholders of Oma Savings Bank Plc	9,367	5,897	30,824
	Non-controlling interest	-126	-37	-171
	Total	9,241	5,860	30,653
	Earnings per share (EPS), EUR	0.32	0.20	1.04
	Earnings per share (EPS) after dilution, EUR *	0.32	0.20	1.04

* Calculated as of 1 January 2020

Profit before taxes excluding items affecting comparability

(1,000 euros)	1-3/2021	1-3/2020	1-12/2020
Profit before taxes	11,672	7,222	37,707
Operating income:			
Net income on financial assets and liabilities*	-1,628	-5,532	-10,866
One-time income related to closing of derivatives	-	-	-912
Operating expenses			
Sales loss of commercial premises in own use	-	-	800
Comparable profit before taxes	10,043	1,690	26,729
Income taxes in income statement	-2,431	-1,362	-7,054
Change of deferred taxes	326	1,106	2,196
Comparable profit/loss for the accounting period	7,938	1,434	21,871

*Net income from financial assets and liabilities includes impact of closing of derivatives EUR 0.8 million in year 2020.

Consolidated statement of comprehensive income

(1,000 euros)	1-3/2021	1-3/2020	1-12/2020
Profit for the accounting period	9,241	5,860	30,653
Other comprehensive income before taxes			
Items that will not be reclassified through profit or loss			
Gains and losses on remeasurements from defined benefit pension plans	-218	-	-
Items that may later be reclassified through profit or loss			
Measured at fair value	-6,520	-2,425	10,862
Transferred to Income Statement as a reclassification change	-1	-8,006	-8,005
Other comprehensive income before taxes	-6,740	-10,431	2,857
Income taxes			
For items that will not be reclassified to profit or loss			
Gains and losses on remeasurements from defined benefit pension plans	44	-	-
Items that may later be reclassified to profit or loss			
Measured at fair value	1,304	2,086	-571
Income taxes	1,348	2,086	-571
Other comprehensive income for the accounting period after taxes	-5,392	-8,345	2,286
Comprehensive income for the accounting period	3,849	-2,485	32,939
Attributable to:			
Shareholders of Oma Savings Bank Plc	3,975	-2,448	33,110
Non-controlling interest	-126	-37	-171
Total	3,849	-2,485	32,939

Consolidated condensed balance sheet

Note	Assets (1,000 euros)	31 Mar 2021	31 Dec 2020	31 Mar 2020
	Cash and cash equivalents	136,283	262,087	116,398
4	Loans and advances to credit institutions	80,804	74,206	61,385
4	Loans and advances to the public and public sector entities	3,588,543	3,434,315	3,049,650
5	Financial derivatives	1,405	796	7,097
6	Investment assets	543,881	529,305	167,053
	Equity accounted entities	23,519	23,787	5,673
	Intangible assets	12,045	11,180	9,261
	Tangible assets	28,882	29,698	26,409
	Other assets	39,024	12,749	80,422
	Deferred tax assets	4,921	3,875	2,632
	Current income tax assets	-	-	41
	Total assets	4,459,307	4,381,999	3,526,023

Note	Liabilities (1,000 euros)	31 Mar 2021	31 Dec 2020	31 Mar 2020
7	Liabilities to credit institutions	224,100	223,510	131,493
7	Liabilities to the public and public sector entities	2,414,584	2,376,743	2,036,678
8	Debt securities issued to the public	1,368,453	1,346,815	974,836
	Subordinated liabilities	15,500	15,500	15,500
	Provisions and other liabilities	53,611	34,188	25,967
	Deferred tax liabilities	27,943	27,948	22,580
	Current income tax liabilities	1,257	3,803	1,449
	Total liabilities	4,105,448	4,028,506	3,208,504

Equity	31 Mar 2021	31 Dec 2020	31 Mar 2020
Share capital	24,000	24,000	24,000
Reserves	143,131	148,348	137,590
Retained earnings	186,427	180,717	155,368
Shareholders of Oma Savings Bank Plc	353,558	353,066	316,958
Shareholders of Oma Savings Bank Plc	353,558	353,066	316,958
Non-controlling interest	301	427	561
Equity, total	353,859	353,493	317,519
Total liabilities and equity	4,459,307	4,381,999	3,526,023

Group's off-balance sheet commitments (1,000 euros)	31 Mar 2021	31 Dec 2020	31 Mar 2020
Off-balance sheet commitments			
Guarantees and pledges	27,089	25,976	21,606
Other commitments given to a third party	142	154	266
Commitments given to a third party on behalf of a customer	27,231	26,130	21,872
Undrawn credit facilities	320,151	263,736	208,819
Irrevocable commitments given in favour of a customer	320,151	263,736	208,819
Group's off-balance sheet commitments, total	347,382	289,867	230,690

Consolidated statement of changes in equity

(1,000 euros)

						Shareholders of Oma Savings Bank Plc	Non- controlling interest	
31 Mar 2021	Share capital	Fair value reserve	Other reserves	Reserves, total	Retained earnings			Equity, total
Equity, 1 January 2021	24,000	10,824	137,530	148,354	180,712	353,066	427	353,493
Comprehensive income								
Profit for the accounting	-	-	-	-	9,367	9,367	-126	9,241
Other comprehensive income	-	-5,217	-	-5,217	-175	-5,392	-	-5,392
Total comprehensive income	-	-5,217	-	-5,217	9,193	3,975	-126	3,849
Transactions with owners								
Distribution of dividends	-	-	-	-	-3,846	-3,846	-	-3,846
Share-based incentive scheme	-	-	-	-	363	363	-	363
Other changes	-	-	-	-	-	-	-	1
Transactions with owners, total	-	-	-	-	-3,483	-3,483	-	-3,483
Equity total, March 31	24,000	5,607	137,530	143,137	186,421	353,558	301	353,859

						Shareholders of Oma Savings Bank Plc	Non- controlling interest	
31 Dec 2020	Share capital	Fair value reserve	Other reserves	Reserves, total	Retained earnings			Equity, total
Equity, 1 January 2020	24,000	8,538	137,396	145,934	149,332	319,266	598	319,865
Comprehensive income								
Profit for the accounting	-	-	-	-	30,824	30,824	-171	30,653
Other comprehensive income	-	2,286	-	2,286	-	2,286	-	2,286
Total comprehensive income	-	2,286	-	2,286	30,824	33,110	-171	32,939
Transactions with owners								
Distribution of dividends	-	-	-	-	-	-	-	-
Share-based incentive scheme	-	-	-	-	555	555	-	555
Other changes	-	-	134	134	-	134	-	134
Transactions with owners, total	-	-	134	134	555	689	-	689
Equity total, December 31 2020	24,000	10,824	137,530	148,354	180,712	353,066	427	353,493

						Shareholders of Oma Savings Bank Plc	Non- controlling interest	
31 Mar 2020	Share capital	Fair value reserve	Other reserves	Reserves, total	Retained earnings			Equity, total
Equity, 1 January 2020	24,000	8,538	137,396	145,934	149,332	319,266	598	319,865
Comprehensive income								
Profit for the accounting	-	-	-	-	5,897	5,897	-37	5,860
Other comprehensive income	-	-8,345	-	-8,345	-	-8,345	-	-8,345
Total comprehensive income	-	-8,345	-	-8,345	5,897	-2,448	-37	-2,485
Transactions with owners								
Distribution of dividends	-	-	-	-	-	-	-	-
Share-based incentive scheme	-	-	-	-	139	139	-	139
Transactions with owners, total	-	-	-	-	139	139	-	139
Equity total, March 31 2020	24,000	194	137,396	137,590	155,368	316,958	561	317,519

Consolidated condensed cash flow statement

(1,000 euros)	1-3/2021	1-3/2020	1-12/2020
Cash flow from operating activities			
Profit/loss for the accounting period	9,241	5,860	30,653
Changes in fair value	-	495	-114
Share of profit of equity accounted entities	268	-7	103
Depreciation and impairment losses on investment properties	13	84	711
Depreciation, amortisation and impairment losses on tangible and intangible assets	1,191	1,099	5,213
Gains and losses on sales of tangible and intangible assets	-75	13	2,061
Impairment and expected credit losses	2,791	8,531	21,587
Income taxes	2,431	1,362	7,054
Other adjustments	1,529	3,582	548
Adjustments to the profit/loss of the accounting period	8,146	15,158	37,163
Cash flow from operations before changes in receivables and liabilities	17,387	21,018	67,817
Increase (-) or decrease (+) in operating assets			
Debt securities	-18,219	133,371	-228,013
Loans and advances to credit institutions	-1,269	-6,213	-8,556
Loans and advances to customers	-158,957	-98,536	-503,352
Derivatives and hedge accounting	-102	36	-13
Investment assets	612	-1	26,513
Other assets	-13,783	-746	-1,008
Total	-191,718	27,911	-714,429
Increase (+) or decrease (-) in operating liabilities			
Liabilities to credit institutions	590	-6,552	135,465
Deposits	37,317	29,091	376,881
Provisions and other liabilities	17,095	302	7,109
Total	55,002	22,842	519,455
Paid income taxes	-4,680	-643	-2,473
Total cash flow from operating activities	-124,009	71,128	-129,630
Cash flow from investments			
Investments in tangible and intangible assets	-1,199	-2,216	-12,064
Proceeds from sales of tangible and intangible assets	75	65	5,468
Acquisition of associated companies and joint ventures	-	-	-18,303
Changes in other investments	-	-	9,752
Total cash flow from investments	-1,124	-2,151	-15,147
Cash flows from financing activities			
Other cash increases in equity items	-	-	123
Debt securities issued to the public	8,984	36,262	407,419
Payments of lease liabilities	-480	-299	-1,659
Dividends paid	-3,846	-	-
Total cash flows from financing activities	4,658	35,962	405,882
Net change in cash and cash equivalents	-120,476	104,940	261,106
Cash and cash equivalents at the beginning of the accounting period	312,994	51,888	51,888
Cash and cash equivalents at the end of the accounting period	192,518	156,827	312,994
Cash and cash equivalents are formed by the following items			
Cash and cash equivalents	136,283	116,398	262,087
Receivables from credit institutions repayable on demand	56,235	40,429	50,907
Total	192,518	156,827	312,994
Received interest	20,859	17,112	81,646
Paid interest	-738	-1,069	-5,357
Dividends received	37	707	199

Consolidated condensed income statement, quarterly trend

Note	(1 000 euros)	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2020 Q1
	Interest income	19,255	20,109	18,729	17,127	16,848
	Interest expenses	-1,255	-1,219	-1,190	-1,242	-1,343
9	Net interest income	17,999	18,890	17,539	15,886	15,505
	Fee and commission income	9,099	9,684	8,314	8,687	7,562
	Fee and commission expenses	-1,197	-1,352	-1,431	-1,360	-848
10	Fee and commission income and expenses, net	7,902	8,332	6,883	7,328	6,714
11	Net income on financial assets and financial liabilities	1,628	3,631	1,723	-20	5,532
	Other operating income	1,612	231	241	431	2,227
	Total operating income	29,142	31,084	26,386	23,625	29,978
	Personnel expenses	-4,476	-4,172	-4,140	-4,677	-3,876
	Other operating expenses	-8,745	-7,308	-5,903	-7,129	-9,258
	Depreciation, amortisations and impairment losses on tangible and intangible assets	-1,191	-1,278	-1,351	-1,485	-1,099
	Total operating expenses	-14,412	-12,758	-11,394	-13,291	-14,233
12	Impairment losses on financial assets, net	-2,791	-7,602	-1,531	-3,922	-8,531
	Share of profit from joint ventures and associated companies	-268	-183	27	45	7
	Profit before taxes	11,672	10,541	13,488	6,457	7,222
	Income taxes	-2,431	-1,515	-2,965	-1,213	-1,362
	Profit for the accounting period	9,241	9,027	10,523	5,244	5,860
	Of which:					
	Shareholders of Oma Savings Bank Plc	9,367	9,125	10,530	5,272	5,897
	Non-controlling interest	-126	-99	-7	-28	-37
	Total	9,241	9,027	10,523	5,244	5,860
	Earnings per share (EPS), EUR	0.32	0.31	0.36	0.18	0.20
	Earnings per share (EPS) after dilution, EUR *	0.32	0.31	0.36	0.18	0.20

* Calculated as of 1 January 2020.

Profit before taxes excluding items affecting comparability:	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2020 Q1
Profit before taxes	11,672	10,541	13,488	6,457	7,222
Operating income:					
Net income on financial assets and liabilities	-1,628	-3,631	-1,723	20	-5,532
One-time income related to closing of derivatives	-	-	-912	-	-
Operating expenses					
Sales loss of commercial premises in own use	-	-	-	800	-
Comparable profit before taxes	10,043	6,910	10,853	7,276	1,690
Income taxes in income statement	-2,431	-1,515	-2,965	-1,213	-1,362
Change of deferred taxes	326	726	527	-164	1,106
Comparable profit/loss for the accounting period	7,938	6,122	8,415	5,899	1,435

Note 1 Accounting principles for the interim report

1. About the accounting principles

The Group's parent company is Oma Savings Bank Plc, whose domicile is in Seinäjoki and head office is in Lappeenranta, Valtakatu 32, 53100 Lappeenranta. Copies of the financial statements and interim reports are available on the Bank's website www.omasp.fi.

Oma Savings Bank Group is formed as follows:

Subsidiaries

- Real estate company Lappeenrannan Säästökeskus holding 100%
- Real estate company Sofian Tupa holding 100%
- SAV-Rahoitus Oyj holding 50.7%

Associated companies

- GT Invest Oy holding 48.7%
- City Kauppapaikat Oy holding 42.1%

Joint ventures and joint operations

- Figure Taloushallinto Oy holding 25%
- Deleway Projects Oy holding 49%
- Housing company Seinäjoen Oma Savings Bank house holding 25.5%

The interim report is drawn up in accordance with the IAS 34 *Interim Financial Reporting* standard. The accounting principles for the interim report are the same as for the 2020 financial statements.

The interim report figures are presented in thousands of euros unless otherwise specified. The figures in the notes are rounded off, so the combined sum of single figures may deviate from the grand total presented in a table or a calculation. The accounting and functional currency of the Group and its companies is the euro.

The Board of Directors has approved the interim report for 1 January - 31 March 2021 in its meeting on 3 May 2021.

2. Changes to the accounting principles

No standard changes took effect at the beginning of the financial year which would have had impact on the Group's financial statements. Nor are future new standards or changes in standards published by IASB expected to have a material impact on the consolidated financial statements.

3. Accounting principles and uncertainties related to estimates requiring management's judgement

The preparation of this interim report in accordance with IFRS has required certain estimates and assumptions from the Group's management that affects the number of items presented in the interim report and the information provided in the notes. The management's key estimates concern the future and key uncertainties about the reporting date. They relate to, among other things, fair value assessment, impairment of financial assets, loans and other assets, investment assets and tangible and intangible assets. Although the estimates are based on the management's current best view, it is possible that the realizations differ from the estimates used in the interim report.

The uncertainties contained in the accounting principles that require management's judgement and those contained in the estimates are described in the 2020 financial statements. Uncertainty in the operating environment caused by the corona pandemic may bring changes to management's judgement estimates presented in the financial statements relative to the current financial statements. The application of the impairment losses on financial assets model under IFRS 9 requires the management to make estimates and assumptions about whether the credit risk associated with the financial instrument has increased significantly since the initial recognition and requires forward-looking information to be taken into account in the recognition of on-demand credit losses. The company's management has assessed the effects of the ongoing corona pandemic on an industry-by-

industry basis and made a group-specific additional loss allowance to the corporate loan portfolio as well as for households. Due to the corona pandemic, the company has offered its customers loan grace periods or other arrangements in accordance with its normal credit policy especially in the early stages of corona pandemic.

Uncertainty caused by the corona pandemic and the weak outlook for the economy are further undermining the credit risk outlook. Further details of the impact of the corona pandemic on the company's risk position are provided in note 2.

Note 2 Impacts of the corona pandemic on the risk position

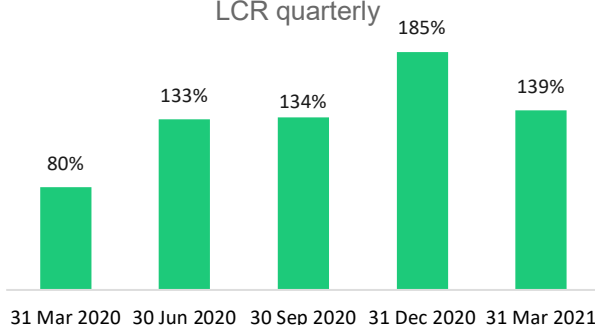
1. Liquidity risk

During the corona pandemic, the company has been monitoring changes in liquidity risk more effectively. In terms of liquidity, the company's situation has been stable throughout the pandemic. In spring 2020, obtaining market-based funding posed its own challenges but liquidity was constantly available through central bank facilities. In autumn 2020, the markets recovered closer to pre-corona levels, although more uncertainty is observed.

The management of Oma Savings Bank's liquidity risk is based on the company's ability to procure sufficient cash that is competitive in price in both the short and long term. A key component of liquidity risk management is the planning of the liquidity position in both the short and long term. Additionally, the planning of the liquidity reserve prepares for deteriorating economic conditions in the market and possible changes in legislation. The goal of the company's liquidity reserve is to cover one month's outflows. Liquidity risk management is supported by active risk management, monitoring of the balance sheet and cash flows and internal calculation models. The company's liquidity is monitored daily by the company's Treasury unit. The main objective of the Treasury unit is to ensure that the liquidity position always remains above the regulated and internally set threshold values. The unit monitors and measures the amount of incoming and outgoing cash flows and assesses the possible occurrence of liquidity shortfalls over the course of the day.

The Group's liquidity ratio (LCR), which describes short-term liquidity, was 139.4% on 31 March 2021. The company's liquidity strengthened with the issuance of spring and autumn bonds and the company's participation in the European Central Bank's TLTRO operation in summer 2020. In addition, the company's deposit portfolio has continued to grow for the first quarter of 2021 maintaining a stable credit-deposit ratio. New lending has also continued to grow strongly during the first quarter. No bonds are maturing in year 2021.

LCR quarterly



2. Credit risk

Credit risk refers to the risk that a contracting party to a financial instrument is not to fulfil its obligations, thereby causing a financial loss to the other party. Oma Savings Bank's credit risk primarily consists of exposures secured by immovable property, retail exposures and corporate loans. The goal of credit risk management is to limit the profit and loss and capital adequacy effects of risks resulting from customer exposures to an acceptable level. Credit risk management and procedures have been described in note G2 of the 2020 financial statements.

2.1 Loan relief granted by the bank

Due to the corona pandemic, requests by customers for grace periods grew significantly in March 2020 but demand returned in a few months. Most of the grace periods granted have already expired as customers continue to service loans under normal shortening plans. At the end of the reporting period, the total grace periods of the loans from the entire loan stock amounted to EUR 274.8 million. All grace periods in force at the end of the reporting period, regardless of the reason or start date, have been included in the capital.

2.2 Allowances based on the management's judgement

The company's loan portfolio has grown strongly during the accounting period and, despite the corona pandemic, the quality of its loan portfolio has improved. However, the pandemic continues, which may lead to a weakening in the quality of the loan portfolio in the future.

The company has intensified its monitoring of the credit risk situation and its development based on credit risk management methods during the corona pandemic. During 2020, the company made two additional credit loss allowances based on management's judgement, totalling EUR 4.4 million, which predicted growth in credit risk in specific sectors. The sectors were selected based on both their significance and the estimated size of the pandemic's impact. Due to the continuing uncertainty with the pandemic, the company increased its loss allowance based on management's judgement by EUR 1.5 million in the reporting period. Allowances have been made in connection with the corona pandemic for a total of EUR 5.9 million. The allowances anticipate the effects of the prolongation of the corona pandemic on Oma Savings Bank's loan portfolio and seeks to cover potential credit losses to the extent that the expected credit loss calculation model does not recognize them. The company continues monitoring the situation monthly.

2.3 Distribution by risk class

The company classifies its customers into risk classes based on information available on the counterparty. External credit rating data or an internal assessment is used for credit rating. Monitoring is continuous and can lead to a transfer from one risk class to another.

In lending, a risk concentration is born or can be born, for example when the loan portfolio includes large amounts of loans and other liabilities

- to a single counterparty
- to groups that are made up of individual counterparties or entities tied to them
- to specific sectors
- against specific collateral
- whose maturity is the same or
- whose product/instrument is the same

Distribution of financial assets by risk class and credit risk concentrations

Risk rating 1: Customers with an A level rating in the bank's internal credit rating system and external credit ratings of AAA–Baa3 are considered to be low risk items.

Risk rating 2: Customers with a B level rating in the bank's internal credit rating system and external credit ratings of Ba1–Ba3 are considered to be medium risk items.

Risk rating 3: Customers with a C level rating in the bank's internal credit rating system and external credit ratings of B1–Caa3 are considered to be higher risk items.

Risk rating 4: Customers with a D level rating in the bank's internal credit rating system and external credit ratings of Ca–bankruptcy are considered to be higher risk items.

The 'No rating' item includes loans and debt securities for which the bank has not defined credit ratings or for which there are no external credit ratings available. The loans belonging to the group are mainly card or consumer credits.

Loans and receivables and off-balance sheet commitments (1,000 euros)	Stage 1	Stage 2	Stage 3	31 Mar 2021	31 Dec 2020
Risk rating 1	2,203,306	120,551	12,342	2,336,200	2,224,360
Risk rating 2	1,007,655	130,188	9,111	1,146,955	1,043,172
Risk rating 3	152,910	61,558	6,895	221,362	227,703
Risk rating 4	13,507	45,435	35,878	94,821	106,583
No rating	29,557	4,069	12,109	45,735	45,786
Capital items by risk category, total	3,406,936	361,801	76,336	3,845,072	3,647,604
Loss allowance	2,019	9,407	17,186	28,612	26,832
Total	3,404,917	352,393	59,150	3,816,460	3,620,772

Debt securities	Stage 1	Stage 2	Stage 3	31 Mar 2021	31 Dec 2020
Risk rating 1	392,246	-	-	392,246	387,121
Risk rating 2	14,945	-	-	14,945	11,450
Risk rating 3	-	-	-	-	-
Risk rating 4	-	-	-	-	-
No rating	92,735	14,244	-	106,979	101,323
Capital items by risk category, total	499,925	14,244	-	514,170	499,894
Loss allowance	834	172	-	1,006	493
Total	499,091	14,072	-	513,163	499,401

Loans and receivables and off-balance sheet commitments by industry	Risk rating 1	Risk rating 2	Risk rating 3	Risk rating 4	No rating	31 Mar 2021	31 Dec 2020
Enterprises	910,081	206,266	39,933	38,622	4,833	1,199,735	1,144,739
Agriculture	28,063	1,719	1,788	631	40	32,241	32,757
Real estate	542,541	110,395	17,964	18,826	1,098	690,824	646,954
Construction	55,587	17,138	3,969	2,751	629	80,074	78,231
Wholesale and retail	53,782	16,046	5,898	2,762	1,001	79,488	86,178
Industry	36,132	6,833	4,481	6,216	532	54,195	58,058
Transportation and storage	26,399	2,270	987	1,391	399	31,444	29,582
Other	167,576	51,866	4,846	6,046	1,134	231,468	212,978
General government	3,084	-	-	-	650	3,734	3,239
Non-profit communities	12,128	3,094	115	964	520	16,820	17,385
Financial and insurance institutions	73,549	1,602	6	-	27	75,186	37,936
Households	1,337,358	935,993	181,309	55,235	39,704	2,549,598	2,444,305
Total	2,336,200	1,146,955	221,362	94,821	45,735	3,845,072	3,647,604

3. Measures to mitigate the risks caused by the corona pandemic

The company's customer service has stayed operational throughout the exceptional circumstances to guarantee that customers receive the necessary banking services. The company has continuously monitored the development of the corona virus situation and personnel has been notified concerning health-related matters, in accordance with the policies and guidelines of the Finnish government. Internal operating models have been adapted to the situation. Personnel have been advised to avoid unnecessary travelling.

In terms of credit risk, preventive measures have included the above-mentioned grace periods granted to customers, increased monitoring of problem customers and loans in arrears and the careful assessment and, if required, reassessment, of collateral values. Additionally, when granting new loans, the applicant's repayment capacity and the value of collateral are monitored bearing in mind the economic uncertainty caused by the pandemic.

Note 3 Classification of financial assets and liabilities

Assets (1,000 euros)

31 Mar 2021	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivatives	Carrying value, total	Fair value
Cash and cash equivalents	136,283	-	-	-	136,283	136,283
Loans and advances to credit institutions	80,804	-	-	-	80,804	80,804
Loans and advances to customers	3,588,543	-	-	-	3,588,543	3,588,543
Derivatives, hedge accounting	-	-	-	1,405	1,405	1,405
Debt instruments	-	513,163	129	-	513,292	513,292
Equity instruments	-	-	23,331	-	23,331	23,331
Financial assets total	3,805,630	513,163	23,461	1,405	4,343,659	4,343,659
Investments in associated companies					23,519	23,519
Investment properties					7,257	7,304
Non-financial assets					84,871	84,871
Assets total	3,805,630	513,163	23,461	1,405	4,459,307	4,459,354

Liabilities (1,000 euros)

31 Mar 2021	Other liabilities	Hedging derivatives	Carrying value, total	Fair value
Liabilities to credit institutions	224,100	-	224,100	224,100
Liabilities to customers	2,414,584	-	2,414,584	2,414,584
Debt securities issued to the public	1,368,453	-	1,368,453	1,368,453
Subordinated liabilities	15,500	-	15,500	15,500
Total financial liabilities	4,022,637	-	4,022,637	4,022,637
Non-financial liabilities			82,811	82,811
Liabilities total	4,022,637	-	4,105,448	4,105,448

Assets (1,000 euros)

31 Dec 2020	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivatives	Carrying value, total	Fair value
Cash and cash equivalents	262,087	-	-	-	262,087	262,087
Loans and advances to credit institutions	74,206	-	-	-	74,206	74,206
Loans and advances to customers	3,434,315	-	-	-	3,434,315	3,434,315
Derivatives, hedge accounting	-	-	-	796	796	796
Debt instruments	-	499,401	171	-	499,572	499,572
Equity instruments	-	-	22,463	-	22,463	22,463
Total financial assets	3,770,608	499,401	22,634	796	4,293,439	4,293,439
Investments in associated companies					23,787	23,787
Investment properties					7,270	7,307
Non-financial assets					57,503	57,503
Assets December 31, 2019	3,770,608	499,401	22,634	796	4,381,999	4,382,036

Liabilities (1,000 euros)

31 Dec 2020	Other liabilities	Hedging derivatives	Carrying value, total	Fair value
Liabilities to credit institutions	223,510	-	223,510	223,510
Liabilities to customers	2,376,743	-	2,376,743	2,376,743
Debt securities issued to the public	1,346,815	-	1,346,815	1,346,815
Subordinated liabilities	15,500	-	15,500	15,500
Total financial liabilities	3,962,567	-	3,962,567	3,962,567
Non-financial liabilities			65,938	65,938
Liabilities December 31, 2019	3,962,567	-	4,028,506	4,028,506

Assets (1,000 euros)						
31 Mar 2020	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivatives	Carrying value, total	Fair value
Cash and cash equivalents	116,398	-	-	-	116,398	116,398
Loans and advances to credit institutions	61,385	-	-	-	61,385	61,385
Loans and advances to customers	3,049,650	-	-	-	3,049,650	3,049,650
Derivatives, hedge accounting	-	-	-	7,097	7,097	7,097
Debt instruments	-	125,865	241	-	126,106	126,106
Equity instruments	-	-	34,248	-	34,248	34,248
Total financial assets	3,227,434	125,865	34,489	7,097	3,394,886	3,394,886
Investments in associated companies					5,673	5,673
Investment properties					6,698	8,130
Non-financial assets					118,765	118,765
Assets total	3,227,434	125,865	34,489	7,097	3,526,023	3,527,454

Liabilities (1,000 euros)				
31 Mar 2020	Other liabilities	Hedging derivatives	Carrying value, total	Fair value
Liabilities to credit institutions	131,493	-	131,493	131,493
Liabilities to customers	2,036,678	-	2,036,678	2,036,678
Debt securities issued to the public	974,836	-	974,836	974,836
Subordinated liabilities	15,500	-	15,500	15,500
Total financial liabilities	3,158,508	-	3,158,508	3,158,508
Non-financial liabilities			49,996	49,996
Liabilities March 31, 2019	3,158,508	-	3,208,504	3,208,504

Note 4 Loans and other receivables

(1,000 euros)	31 Mar 2021	31 Dec 2020	31 Mar 2020
Loans and advances to credit institutions			
Deposits	56,235	50,907	40,429
Other	24,568	23,299	20,956
Loans and advances to credit institutions, total	80,804	74,206	61,385
Loans and advances to the public and public sector entities			
Loans	3,485,359	3,332,952	2,949,273
Utilised overdraft facilities	75,290	72,894	73,362
Loans intermediated through the State's assets	66	66	96
Credit cards	27,689	28,064	26,892
Bank guarantee receivables	139	339	27
Loans and advances to the public and public sector entities, total	3,588,543	3,434,315	3,049,650
Loans and advances, total	3,669,347	3,508,521	3,111,036

Reconciliations from the opening and the closing balances of the expected credit losses are presented in note 12
 Impairment losses on financial assets.

Note 5 Financial derivatives

Assets (1,000 euros)	31 Mar 2021	31 Dec 2020	31 Mar 2020
Fair value hedge			
Interest rate derivatives	-	-	7,097
Other hedging derivatives			
Share and share index derivatives	1,405	796	-
Total derivative assets	1,405	796	7,097

Liabilities (1,000 euros)	31 Mar 2021	31 Dec 2020	31 Mar 2020
Fair value hedge			
Interest rate derivatives	-	-	-
Share and share index derivatives	-	-	-
Total derivative liabilities	-	-	-

Change in the value of hedged object / Fair value hedge	-	-	-8,498
--	---	---	--------

Change in the value of hedged object / Other hedging derivatives	-777	-253	517
---	------	------	-----

Nominal values of underlying items and fair values of derivatives (1,000 euros)

31 Mar 2021	Remaining maturity			Fair values		
	Less than 1 year	1-5 years	Over 5 years	Total	Assets	Liabilities
Fair value hedge	-	-	-	-	-	-
Interest rate swaps	-	-	-	-	-	-
Cva and Dva adjustments	-	-	-	-	-	-
Other hedging derivatives	32,948	60,826	-	93,775	1,405	-
Share and share index derivatives	32,948	60,826	-	93,775	1,479	-
Cva and Dva adjustments	-	-	-	-	-73	-
Derivatives total	32,948	60,826	-	93,775	1,405	-

Nominal values of underlying items and fair values of derivatives (1,000 euros)

31 Dec 2020	Remaining maturity			Fair values		
	Less than 1 year	1-5 years	Over 5 years	Total	Assets	Liabilities
Fair value hedge	-	-	-	-	-	-
Interest rate swaps	-	-	-	-	-	-
Cva and Dva adjustments	-	-	-	-	-	-
Other hedging derivatives	32,948	48,274	-	81,222	796	-
Share and share index derivatives	32,948	48,274	-	81,222	853	-
Cva and Dva adjustments	-	-	-	-	-57	-
Derivatives total	32,948	48,274	-	81,222	796	-

Nominal values of underlying items and fair values of derivatives (1,000 euros)

31 Mar 2020	Remaining maturity			Fair values		
	Less than 1 year	1-5 years	Over 5 years	Total	Assets	Liabilities
Fair value hedge	15,000	650,000	-	665,000	7,097	-
Interest rate swaps	15,000	650,000	-	665,000	7,770	-
Cva and Dva adjustments	-	-	-	-	-672	-
Other hedging derivatives	10,397	66,284	-	76,681	-	-
Share and share index derivatives	10,397	66,284	-	76,681	33	-
Cva and Dva adjustments	-	-	-	-	-33	-
Derivatives total	25,397	716,284	-	741,681	7,097	-

Note 6 Investment assets

Investment assets (1,000 euros)	31 Mar 2021	31 Dec 2020	31 Mar 2020
Measured at fair value through profit or loss			
Debt securities	129	171	241
Shares and other equity instruments	23,331	22,463	34,248
Assets measured at fair value through profit or loss, total	23,461	22,634	34,489
Measured at fair value through other comprehensive income			
Debt securities	513,163	499,401	125,865
Shares and other equity instruments	-	-	-
Measured at fair value through other comprehensive income, total	513,163	499,401	125,865
Investment properties	7,257	7,270	6,698
Total investment assets	543,881	529,305	167,053

Reconciliations from the opening and the closing balances of the expected credit losses are presented in note 12 Impairment losses on financial assets.

Changes in investment properties (1,000 euros)	31 Mar 2021	31 Dec 2020	31 Mar 2020
Cost January 1	10,491	12,634	12,634
+ Increases	-	5,650	3
- Decreases	-	-7,380	-68
+/- Transfers	-	-414	-
Cost at the end of the period	10,491	10,490	12,570
Accumulated depreciation and impairment losses	-3,221	-5,806	-5,806
+/- Accumulated depreciation of decreases and transfers	-	1,987	19
- Depreciation	-13	-201	-84
+/- Impairment loss and their return	-	800	-
Accumulated depreciation and impairment at the end of the period	-3,233	-3,221	-5,872
Opening balance	7,270	6,828	6,828
Closing balance	7,257	7,270	6,698

31 Mar 2021 Measured at fair value through profit or loss and measured at fair value through other comprehensive income (1,000 euros)	Equity instruments				Debt-based				All total
	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	
Quoted									
Public sector entities	-	-	-	-	173,066	-	-	173,066	173,066
From others	-	15,166	-	15,166	339,886	-	-	339,886	355,051
Non-quoted									
From others	-	8,166	-	8,166	211	129	-	340	8,506
Total	-	23,331	-	23,331	513,163	129	-	513,292	536,624

31 Dec 2020 Measured at fair value through profit or loss and measured at fair value through other comprehensive income (1,000 euros)	Equity instruments				Debt-based				All total
	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	
Quoted									
Public sector entities	-	-	-	-	170,628	-	-	170,628	170,628
From others	-	13,837	-	13,837	328,560	-	-	328,560	342,397
Non-quoted									
From others	-	8,626	-	8,626	212	171	-	383	9,009
Total	-	22,463	-	22,463	499,401	171	-	499,572	522,035

31 Mar 2020 Measured at fair value through profit or loss and measured at fair value through other comprehensive income (1,000 euros)	Equity instruments				Debt-based				All total
	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	
Quoted									
Public sector entities	-	-	-	-	29,172	-	-	29,172	29,172
From others	-	9,170	-	9,170	94,980	-	-	94,980	104,150
Non-quoted									
From others	-	25,079	-	25,079	1,713	241	-	1,954	27,033
Total	-	34,248	-	34,248	125,865	241	-	126,106	160,354

Note 7 Liabilities to the public and public sector entities and liabilities to credit institutions

(1,000 euros)	31 Mar 2021	31 Dec 2020	31 Mar 2020
Liabilities to credit institutions			
Liabilities to Central Banks	150,000	150,000	50,000
Repayable on demand	12,057	10,768	9,498
Other than repayable on demand	62,043	62,742	71,995
Total liabilities to credit institutions	224,100	223,510	131,493
Liabilities to the public and public sector entities			
Deposits	2,414,528	2,376,687	2,028,100
Repayable on demand	2,250,079	2,187,809	1,733,048
Other	164,449	188,878	295,052
Other financial liabilities	56	56	81
Other than repayable on demand	56	56	81
Changes in fair value in terms of borrowing	-	-	8,498
Liabilities to the public and public sector entities, total	2,414,584	2,376,743	2,036,678
Liabilities to the public and public sector entities and liabilities to credit institutions, total	2,638,684	2,600,253	2,168,171

The liabilities to Central Banks item is a TLTRO secured credit withdrawn on June 2020. The loan matures 30 June 2023 but repayment of it is possible as of 29 September 2021. The determination of the interest rate is influenced by the average of the European Central Bank's deposit rate over the course of the loan, as well as the increase in the OmaSp's credit portfolio approved for monitoring. The interest rate on the loan will be reviewed after the loan matures. The TLTRO loan has been treated as a debt under IFRS 9 standard and during the reporting period the company has not made any new estimates related to the interest rate of the loan.

Note 8 Debt securities issued to the public

(1,000 euros)	31 Mar 2021	31 Dec 2020	31 Mar 2020
Bonds	1,206,672	1,206,522	752,497
Certificates of deposit	161,781	140,293	222,339
Total debt securities issued to the public	1,368,453	1,346,815	974,836

					Closing balance		
Maturity of bonds	Nominal value	Interest	Year of issue	Due date	31 Mar 2021	31 Dec 2020	31 Mar 2020
OmaSp Plc 3.4.2020	125,000	margin 0,880% /variable	2017	4/3/2020	-	-	105,200
OmaSp Plc 12.12.2022, covered bond	350,000	0,125%/fixed	2017-2018	12/12/2022	349,140	349,015	348,637
OmaSp Plc 3.4.2024, covered bond	300,000	0,125%/fixed	2019	4/3/2024	298,994	298,912	298,661
OmaSp plc 6.4.2023, covered bond	250,000	0,125%/fixed	2020	4/6/2023	249,107	248,998	-
OmaSp Plc 17.1.2024	55,000	margin 1% / variable	2020	17.1.2024	54,996	54,996	-
OmaSp Plc 25.11.2027, covered bond	250,000	0,01%/fixed	2020	11/25/2027	254,435	254,601	-
					1,206,672	1,206,522	752,498
Maturity of deposit certificates	less than 3 months	3-6 months	6-9 months	9-12 months	Closing balance, total		
31 Mar 2021	63,333	47,492	40,970	9,987	161,781		
31 Dec 2020	70,991	53,320	-	15,981	140,293		
31 Mar 2020	100,991	83,953	24,980	12,415	222,339		

Note 9 Net interest income

(1,000 euros)	1-3/2021	1-3/2020	1-12/2020
Interest income			
Loans and advances to the public and public sector entities	17,480	15,397	66,058
Debt securities	640	482	2,031
Derivatives	736	833	3,785
Other interest income	399	137	939
Total interest income	19,255	16,848	72,813
Interest expenses			
Liabilities to credit institutions	-219	-50	-335
Liabilities to the public and public sector entities	-134	-415	-820
Debt securities issued to the public	-569	-628	-2,752
Subordinated liabilities	-47	-46	-187
Other interest expenses	-286	-204	-900
Total interest expenses	-1,255	-1,343	-4,993
Net interest income	17,999	15,505	67,819

Note 10 Fee and commission income and expenses

(1,000 euros)	1-3/2021	1-3/2020	1-12/2020
Fee and commission income			
Lending	2,831	2,251	11,124
Deposits	18	17	62
Card and payment transactions	4,347	3,627	16,472
Intermediated securities	54	48	158
Funds	879	768	2,825
Legal services	108	110	504
Brokered products	377	352	1,485
Granting of guarantees	303	217	923
Other fee and commission income	181	171	695
Total fee and commission income	9,099	7,562	34,248
Fee and commission expenses			
Card and payment transactions	-929	-586	-4,043
Securities	-15	-9	-41
Other fee and commission expenses	-253	-252	-906
Total fee and commission expenses	-1,197	-848	-4,991
Fee and commission income and expenses, net	7,902	6,714	29,257

Note 11 Net income on financial assets and financial liabilities

(1,000 euros)	1-3/2021	1-3/2020	1-12/2020
Net income on financial assets measured at fair value through profit or loss			
Debt securities			
Capital gains and losses	-45	-	-
Valuation gains and losses	3	-22	-92
Total debt securities	-42	-22	-92
Shares and other equity instruments			
Dividend income	37	707	199
Capital gains and losses	188	-118	1,597
Valuation gains and losses	1,207	-2,439	2,704
Total shares and other equity instruments	1,433	-1,851	4,499
Net income on financial assets measured at fair value through profit or loss, total	1,391	-1,873	4,407

Net income on financial assets measured at fair value through other comprehensive income

Debt securities			
Capital gains and losses	6	38	39
Difference in valuation reclassified from the fair value reserve to the income statement	1	8,006	8,005
Total debt securities	8	8,044	8,044
Net income on financial assets measured at fair value through other comprehensive income, total	8	8,044	8,044

Net income from investment properties (1,000 euros)	1-3/2021	1-3/2020	1-12/2020
Rent and dividend income	123	150	383
Capital gains and losses	75	-13	-1,473
Other gains from investment properties	2	4	8
Maintenance expenses	-25	-227	-534
Depreciation and impairment on investment properties	-13	-84	-711
Rent expenses on investment properties	-	-	-10
Net income from investment properties, total	162	-170	-2,337
Net gains on trading in foreign currencies	84	44	-175
Net gains from hedge accounting	-	-495	114
Net income from trading	-17	-19	814
Net income on financial assets and financial liabilities, total	1,628	5,532	10,866

Note 12 Impairment losses on financial assets

(1,000 euros)

	1-3/2021	1-3/2020	1-12/2020
ECL from advances to customers and off-balance sheet items	-1,780	-7,983	-8,012
ECL from debt instruments	-513	380	167
Expected credit losses, total	-2,293	-7,603	-7,846
Final credit losses			
Final credit losses	-900	-955	-13,978
Refunds on realised credit losses	403	26	237
Recognised credit losses, net	-497	-928	-13,741
Impairment on receivables, total	-2,791	-8,531	-21,587

Reconciliations from the opening and closing balances of the expected credit losses have been formed from 1 January 2021 and 31 March 2021 on the basis of changes in euro denominated loan exposures and expected credit losses.

Expected credit losses, loans and advances

				1-3/2021	1-3/2020	1-12/2020
Loans and advances to credit institutions and to public and general government, at amortised cost (1,000 euros)	Stage 1	Stage 2	Stage 3	Total	Total	Total
Expected credit losses 1 January	1,587	7,955	16,317	25,858	18,206	18,206
Transfer to stage 1	70	-458	1	-388	-39	244
Transfer to stage 2	-54	490	-493	-57	53	297
Transfer to stage 3	-9	-113	1,458	1,336	7,056	3,224
New debt securities	205	82	203	490	614	2,518
Matured debt securities	-149	-502	-516	-1,167	-1,851	-4,979
Realised credit losses	4	-9	-579	-584	-528	-4,878
Recoveries on previous realised credit losses	-15	43	-11	17	-7	1
Changes in credit risk	558	65	1,080	1,703	-4,907	5,854
Changes in the ECL model parameters	-	-	-	-	548	241
Changes based on management estimates	-669	1,500	-434	398	6,694	5,131
Expected credit losses period end	1,527	9,053	17,027	27,607	25,840	25,858

The company's management has assessed the effects of the corona pandemic on an industry-by-industry basis and decided to increase the group-specific additional loss allowance from EUR 4.4 million to EUR 5.9 million. A total of EUR 0.5 million has been allocated to corporate customers and EUR 1.0 million to private customers of the additional loss allowance based on management's judgement. Allowances made are targeted to stage 2. Additional allowance was made for the new definition of insolvency, which entered into force on 1 January 2021, by recording an additional loss allowance of EUR 1.4 million for private customers. The additional allowance has been unloaded EUR 0.5 million. The additional allowance applies to stage 3.

				1-3/2021	1-3/2020	1-12/2020
Off-balance sheet commitments (1,000 euros)	Stage 1	Stage 2	Stage 3	Yhteensä	Yhteensä	Yhteensä
Expected credit losses 1 January	480	368	126	974	614	614
Transfer to stage 1	15	-15	-	-	11	11
Transfer to stage 2	-1	2	-1	-	-	-
Transfer to stage 3	-	-1	1	-	-	-
New debt securities	163	93	48	304	576	628
Matured debt securities	-165	-50	-19	-234	-233	-305
Realised credit losses	-	-	-	-	-	-
Recoveries on previous realised credit losses	-	-	-	-	-	-
Changes in credit risk	-	-43	5	-38	-6	28
Changes in the ECL model parameters	-	-	-	-	-	-
Changes based on management estimates	-	-	-	-	-	-
Expected credit losses period end	491	355	159	1,005	962	974

Expected credit losses, investment assets

Debt securities, at amortised cost (1,000 euros)	Stage 1	Stage 2	Stage 3	1-3/2021	1-3/2020	1-12/2020
				Total	Total	Total
Expected credit losses 1 January	313	180	-	493	660	660
Transfer to stage 1	-	-	-	-	-	-
Transfer to stage 2	-	-	-	-	15	27
Transfer to stage 3	-	-	-	-	-	-
New debt securities	26	-	-	26	375	27
Matured debt securities	-	-1	-	-1	-512	-460
Realised credit losses	-	-	-	-	-	-
Recoveries on previous realised credit losses	-	-	-	-	-	-
Changes in credit risk	-71	-7	-	-78	1,760	26
Changes in the ECL model parameters	-	-	-	-	-	-
Changes based on management estimates	566	-	-	566	-1,805	-
Expected credit losses period end	834	172	-	1,006	493	280

Note 13 Fair values in accordance with the valuation method

The determination of the fair value of financial instruments is set out in note G1 Accounting principles under “Determining the fair value” of the financial statements for the year 2020.

Level 3 equity securities include the shares of companies that are strategic to Oma Savings Bank’s operations.

Financial assets and liabilities measured at fair value

	31 Mar 2021			
Financial assets (1,000 euros)	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Equity securities	15,166	1,878	6,288	23,331
Debt securities	45	-	84	129
Derivatives	-	1,405	-	1,405
At fair value through other comprehensive income				
Debt securities	512,952	-	211	513,163
Financial assets total	528,163	3,284	6,582	538,029

Financial assets (1,000 euros)	31 Dec 2020				31 Mar 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Measured at fair value through profit or loss								
Equity securities	13,837	1,854	6,772	22,463	9,170	1,550	23,529	34,248
Debt securities	87	-	84	171	157	-	84	241
Derivatives	-	796	-	796	-	7,097	-	7,097
Measured at fair value through other comprehensive income								
Debt securities	499,401	-	-	499,401	125,865	-	-	125,865
Financial assets total	513,325	2,650	6,856	522,831	135,192	8,647	23,613	167,452

Investment transactions, categorised to Level 3

Financial assets at fair value through profit or loss (1,000 euros)	31 Mar 2021			31 Dec 2020			31 Mar 2020		
	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total
Opening balance	6,772	84	6,856	23,547	84	23,631	23,547	84	23,631
+ Acquisitions	-	-	-	-	-	-	-	-	-
- Sales	-612	-	-612	-18,418	-	-18,418	-2	-	-2
- Matured during the year	-	-	-	-	-	-	-	-	-
+/- Realised changes in value recognised on the income statement	188	-	188	1,675	-	1,675	2	-	2
+/- Unrealised changes in value recognised on the income statement	-62	-	-62	-31	-	-31	-18	-	-18
+ Transfers to Level 3	-	-	-	-	-	-	-	-	-
- Transfers to Level 1 and 2	-	-	-	-	-	-	-	-	-
Closing balance	6,288	84	6,372	6,772	84	6,856	23,529	84	23,613

At fair value through other comprehensive income (1,000 euros)	31 Mar 2021			31 Dec 2020			31 Mar 2020		
	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total
Opening balance	-	-	-	-	-	-	-	-	-
+ Acquisitions	-	-	-	-	-	-	-	-	-
- Sales	-	-47	-47	-	-	-	-	-	-
- Matured during the year	-	-	-	-	-	-	-	-	-
+/- Realised changes in value recognised on the income statement	-	4	4	-	-	-	-	-	-
+/- Unrealised changes in value recognised on the income statement	-	-	-	-	-	-	-	-	-
+/- Changes in value recognised in other comprehensive income	-	-14	-14	-	-	-	-	-	-
+ Transfers to Level 3	-	268	268	-	-	-	-	-	-
- Transfers to Level 1 and 2	-	-	-	-	-	-	-	-	-
Closing balance	-	211	211	-	-	-	-	-	-

Sensitivity analysis for financial assets on Level 3 (1,000 euros)

Sensitivity analysis for the total assets of the Group (€ million)										
31 Mar 2021					31 Dec 2020			31 Mar 2020		
	Hypo- thetical change	Potential impact on equity			Potential impact on equity			Potential impact on equity		
		Market value	Positive	Negative	Market value	Positive	Negative	Market value	Positive	Negative
Equity securities										
At fair value through profit or loss	+/- 15%	6,288	943	-943	6,772	1,016	-1,016	23,529	3,529	-3,529
At fair value through other comprehensive income	+/- 15 %	-	-	-	-	-	-	-	-	-
Total		6,288	943	-943	6,772	1,016	-1,016	23,529	3,529	-3,529

Debt securities	Hypo- thetical change	31 Mar 2021			31 Dec 2020			31 Mar 2020		
		Potential impact on equity			Potential impact on equity			Potential impact on equity		
		Market value	Positive	Negative	Market value	Positive	Negative	Market value	Positive	Negative
At fair value through profit or loss	+/- 15%	84	13	-13	84	13	-13	84	13	-13
At fair value through other comprehensive income	+/- 15 %	211	32	-32	-	-	-	-	-	-
Total		295	44	-44	84	13	-13	84	13	-13

Note 14 Significant events after the period

In April, the company announced the progress of merger negotiations with the Eurajoen Savings Bank. In November 2020, Oma Savings Bank Plc (OmaSp) started negotiations to merge Eurajoen and Mietoinen Savings Banks into Oma Savings Bank. Negotiations proceeds with Eurajoen Savings Bank and decisions on unification will be made by the governing bodies of both banks during Q2. The merger negotiations with Mietoinen Savings Bank have come to an end. When completed, the business transfers would increase the balance sheet of Oma Savings Bank by approximately EUR 300 million and increase the number of private and corporate customers by about 12,000. The combined profit before taxes of the banks was approximately EUR 40 million for 2020, of which OmaSp accounts for approximately EUR 38 million.

At the AGM on 30 March 2021, Aila Hemminki, Aki Jaskari, Timo Kokkala, Jyrki Mäkynen, Jarmo Salmi, Jaana Sandström and Jarmo Partanen were elected as members of the Board. On 22 April 2021, the Board organizing meeting elected Jarmo Salmi to continue as Chairman of the Board and Jyrki Mäkynen as Vice-Chairman. The Board of Directors decided to carry out the tasks of the Audit Committee. The Board of Directors appointed one permanent committee, the Remuneration Committee. Jarmo Salmi, Jyrki Mäkynen and Aila Hemminki were confirmed as members of the Remuneration Committee.

Other events following the end of the reporting period that would require the presentation of additional information or that would materially affect the company's financial position are unknown.

Note 15 Alternative Performance Measures (APM) and calculation of the key figures

Oma Savings Bank Plc's financial reporting presents Alternative Performance Measures (APM) that describe the company's historical financial result, financial position or cash flows. The APMs are drawn up in line with the guidelines set by the European Securities and Markets Authority (ESMA). APMs are not key figures defined or specified in compliance with IFRS standards, solvency, regulations (CRD/CRR) or Solvency II (SII) regulations. The company presents APMs as supplementary information to the key figures that are presented in the Group's IFRS-compliant income statement, Group balance sheets and cash flow statements.

In the company's view, alternative key figures provide meaningful and useful information to investors, securities market analysts and others concerning Oma Savings Bank Plc's performance, financial position and cash flows.

Oma Savings Bank Plc uses the following Alternative Performance Measures:

- Comparable profit before taxes
- Cost/income ratio, %
- Total return on assets, ROA %
- Return on equity, ROE %
- Equity ratio, %
- Comparable cost/income ratio, %
- Comparable return on equity, ROE %
- Comparable earnings per share (EPS), EUR

Calculation of key figures

Operating income, total

Net interest income, net fee and commission income and expenses, net income on financial assets and liabilities, other operating income

Total operating expenses

Personnel expenses, other operating expenses, depreciation, amortisation and impairment losses on tangible and intangible assets

Liquidity coverage ratio (LCR), %

Minimum liquidity buffer relative to net cash and collateral outflows in a 30-day stress scenario

Net stable funding ratio (NSFR)%

$$\frac{\text{Available amount of stable funding}}{\text{Required amount of stable funding}} \times 100$$

Cost/income ratio, %

$$\frac{\text{Total operating expenses}}{\text{Total operating income} + \text{share of profit from joint ventures and associated companies (net)}} \times 100$$

Comparable cost/income ratio, %

$$\frac{\text{Total operating expenses without items affecting comparability}}{\text{Total operating income without items affecting comparability} + \text{share of profit from joint ventures and associated companies (net)}} \times 100$$

Comparable profit before taxes

Profit/loss before taxes without items effecting comparability

Return on equity, ROE %

$$\frac{\text{Profit/loss for the accounting period}}{\text{Equity (average of the beginning and the end of the year)}} \times 100$$

Comparable return on equity, ROE %

$$\frac{\text{Comparable profit/loss for the accounting period}}{\text{Equity (average of the beginning and the end of the year)}} \times 100$$

Total return on assets, ROA %

$$\frac{\text{Profit/loss of the accounting period}}{\text{Average balance sheet total (average of the beginning and the end of the year)}} \times 100$$

Equity ratio, %

$$\frac{\text{Equity}}{\text{Balance sheet total}} \times 100$$

Total capital (TC), %

$$\frac{\text{Own funds total (TC)}}{\text{Risk-weighted assets (RWA) total}} \times 100$$

Common Equity Tier 1 (CET1) capital ratio, %

$$\frac{\text{Common Equity Tier 1 (CET1) capital}}{\text{Risk-weighted assets (RWA) total}} \times 100$$

Tier 1 (T1), capital ratio, %

$$\frac{\text{Tier 1 (T1) capital}}{\text{Risk-weighted assets (RWA) total}} \times 100$$

Leverage ratio, %

$$\frac{\text{Tier 1 (T1) capital}}{\text{Exposures total}} \times 100$$

Earnings per share (EPS), EUR

$$\frac{\text{Profit/loss for the accounting period belonging to the parent company owners}}{\text{Average number of shares outstanding}}$$

Earnings per share after dilution (EPS), EUR

$$\frac{\text{Profit/loss for the accounting period belonging to the parent company}}{\text{Average number of shares outstanding after dilution of share-based rewarding}}$$

Comparable earnings per share (EPS), EUR

$$\frac{\text{Comparable profit/loss} - \text{Share of non-controlling interests}}{\text{Average number of shares outstanding}}$$

Independent Auditor's Report on Review of Consolidated Interim Report of Oma Savings Bank Plc

To the Board of Directors of Oma Savings Bank Plc

Introduction

We have reviewed the accompanying consolidated interim report of Oma Savings Bank Plc which comprise the condensed consolidated balance sheet as at 31 March 2021, condensed consolidated income statement, statement of comprehensive income, changes in equity, and cash flows for the three months ended 31 March 2021 and notes to the condensed interim information. The Board of Directors and the CEO are responsible for the preparation and presentation of the condensed consolidated interim report in accordance with IAS 34 "Interim Financial Reporting" standard and other regulations governing the preparation of interim financial statements in Finland. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standards on Review Engagements ISRE 2410 "Review of Interim Financial Information Performed by the

Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim report of Oma Savings Bank Plc for the three month period ending 31 March 2021 has not been prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting standard and other regulations governing the preparation of interim financial statements in Finland.

Helsinki, 3 May 2021

KPMG OY AB

Fredrik Westerholm
Authorised Public Accountant, KHT



omasp.fi

omasp

Oma Savings Bank Plc

tel +358 20 764 0600